





L I B R A R Y

B O S T O N  
U N I V E R S I T Y



 COLLEGE   
BUSINESS  
ADMINISTRATION

|           |          |
|-----------|----------|
| Class No. | * 658.87 |
| Book No.  | B54      |
| Acc. No.  | 34130    |
| Date      | 9-5-45   |

BOSTON UNIVERSITY

College of Business Administration

THESIS

LAWRENCE, MASSACHUSETTS BETWEEN TWO WARS  
AS VIEWED BY THE CLOTHING RETAILER

by

Emile Said Bistany  
(B.S. Tufts College 1940)

submitted in partial fulfillment of  
the requirements for the degree of

Master of Business Administration

1945





9-5-45  
34130  
A 658.87  
B54

## TABLE OF CONTENTS

|  | Page |
|--|------|
| SECTION I. . . . .                                   | 1    |
| PREFACE . . . . .                                    | 1    |
| A. The Scope of the Study . . . . .                  | 1    |
| B. Why Lawrence Was Selected . . . . .               | 2    |
| C. Description of Lawrence . . . . .                 | 4    |
| 1. Location and Bordering Cities. . . . .            | 4    |
| 2. Size and Topography . . . . .                     | 5    |
| 3. Population . . . . .                              | 5    |
| 4. Utilities . . . . .                               | 8    |
| 5. Industries . . . . .                              | 9    |
| 6. Transportation. . . . .                           | 10   |
| 7. Public Buildings . . . . .                        | 10   |
| 8. Newspapers . . . . .                              | 10   |
| 9. Banking Facilities . . . . .                      | 11   |
| 10. Organization, Social and Business. . . . .       | 11   |
| 11. Amusements . . . . .                             | 12   |
| D. Store Location . . . . .                          | 12   |
| 1. The Main Street . . . . .                         | 13   |
| a. Rent . . . . .                                    | 15   |
| b. Traffic Trend . . . . .                           | 18   |
| c. Display . . . . .                                 | 19   |
| d. Profit-Making Potentialities . . . . .            | 19   |
| e. Advertising. . . . .                              | 21   |
| E. The Value of this Study to the Retailer . . . . . | 23   |
| 1. Why Does the Retail Business Have To Be Studied   | 23   |
| 2. The Future of His City, Location and Business     | 25   |
| SECTION II . . . . .                                 | 26   |
| CONDITIONS DURING WORLD WAR I. . . . .               | 26   |
| A. Population Trends 1905 - 1918 . . . . .           | 26   |
| 1. The Changes That Occurred . . . . .               | 27   |
| 2. Possible Effect These Changes Had on the City     | 29   |



|   | Page |
|---|------|
| B. Trends of Manufactures. . . . .                        | .29  |
| 1. Capital Invested . . . . .                             | .30  |
| 2. Value of Materials . . . . .                           | .33  |
| 3. Wages Paid Yearly . . . . .                            | .33  |
| 4. Average Yearly Earnings. . . . .                       | .38  |
| 5. Average Number of Wage-Earners . . . . .               | .38  |
| 6. Value of Product . . . . .                             | .41  |
| 7. Value Added by Manufactures. . . . .                   | .41  |
| 8. Summary . . . . .                                      | .46  |
| C. Causes For Business Failures . . . . .                 | .49  |
| 1. Possible Means of Surmounting These Failures . . . . . | .52  |
| D. Taxes . . . . .  | .53  |
| SECTION III . . . . .                                     | .56  |
| LAWRENCE DURING 1919 - 1938 . . . . .                     | .56  |
| A. Population Trends . . . . .                            | .56  |
| 1. Population Shifts . . . . .                            | .59  |
| B. Manufacturing Trends . . . . .                         | .59  |
| 1. Amount of Capital Invested . . . . .                   | .60  |
| 2. Value of Stock and Materials . . . . .                 | .63  |
| 3. Amount of Wages. . . . .                               | .63  |
| 4. Average Number of Wage-Earners . . . . .               | .63  |
| 5. Value of Manufactures' Products. . . . .               | .68  |
| 6. Value Added. . . . .                                   | .68  |
| C. Setting Up Barometers For The Retailers . . . . .      | .75  |
| D. Taxes . . . . .  | .77  |
| E. Effect of Speculative Boom and Bank Holidays . . . . . | .79  |
| SECTION IV . . . . .                                      | .85  |
| THE SITUATIONS EXISTING DURING WORLD WAR II . . . . .     | .85  |
| A. Population Trends . . . . .                            | .85  |



## Page

|   |     |
|---|-----|
| B. Manufacturing Trends. . . . .                                | 87  |
| 1. Capital Invested . . . . .                                   | 87  |
| 2. Value of Stock and Materials . . . . .                       | 88  |
| 3. Amount of Wages Paid Yearly . . . . .                        | 93  |
| 4. Average Number of Wage-Earners . . . . .                     | 93  |
| 5. Value of Products. . . . .                                   | 98  |
| 6. Value Added . . . . .  | 101 |
| C. The Different Governmental Agencies and Rulings . . . . .    |     |
| That Affect The Clothing Retailer . . . . .                     | 104 |
| 1. Stringent Governmental Control of Private Business . . . . . | 104 |
| 2. Credit . . . . .   | 108 |
| 3. Wage and Hour Regulations. . . . .                           | 109 |
| 4. Business Failures In The City. . . . .                       | 111 |

## SECTION V. . . . . 112

## HOW PRESENT CONDITIONS COMPARE WITH THOSE OF 1914-1918. 112

|  |     |
|--|-----|
| A. Population Trends of 1914-1918 VS. Population Trends of 1939-1943 . . . . .                     | 112 |
| B. Manufacturing Trends of 1914-1918 VS. Manufacturing Trends of 1939-1943 . . . . .               | 113 |
| 1. Amount of Capital Invested . . . . .  | 113 |
| 2. Value of Stock and Materials . . . . .  | 115 |
| 3. Amount of Wages Paid Annually. . . . .  | 117 |
| 4. Average Number of Wage-Earners . . . . .  | 120 |
| 5. Value of Products . . . . .   | 120 |
| 6. Value Added . . . . .   | 123 |
| C. Possible Causes For Business Failures In 1914-1918 as Compared With Those of 1939-1943. . . . . | 125 |
| D. Taxes of 1914-To 1918 Compared With Those of 1939 to 1943 . . . . .                             | 126 |
| E. Retail Distribution of 1914-1918 Compared With Retail Distribution of 1939-1943 . . . . .       | 127 |

## SECTION VI. . . . . 130



|  | Page    |
|--|---------|
| POSSIBLE EFFECT OF POST-WAR PERIOD OF WORLD WAR II<br>ON RETAILERS. . . . .                              | 130     |
| A. The Migration Trends of People Seeking Work In<br>Peace Time. . . . .                                 | 130     |
| B. The Different Types of Businesses That Might<br>Become Prominent In That Peace Period . . . .         | 132     |
| C. Possible Future Trends of Taxation. . . . .   | 133     |
| D. Possible Future Trend of the Governmental Agencies<br>And Rulings That Affect The Clothing Retailer . | 134     |
| E. A Post-War Plan For The Clothing Retailer . .   | 136     |
| <br>QUOTATION ON CREDIT. . . . .   | <br>143 |
| BIBLIOGRAPHY . . . . .   | 147     |







# LIST OF TABLES

|  | Page |
|--|------|
| 1. The Capital Invested in Manufactures in Lawrence;<br>1913-1918. . . . .                         | 31   |
| 2. The Value of Stock & Materials Used in Manufactures<br>in Lawrence; 1913 - 1918 . . . . .       | 34   |
| 3. The Amount of Wages Paid During the Year in<br>Manufactures in Lawrence; 1913 - 1918 . . . . .  | 36   |
| 4. The Average Yearly Earnings in Manufactures in<br>Lawrence; 1913 - 1918 . . . . .               | 39   |
| 5. The Average Number of Wage-Earners in Manufactures<br>in Lawrence; 1913 - 1918 . . . . .        | 42   |
| 6. The Value of Product in Manufactures in Lawrence;<br>1913 - 1918 . . . . .                      | 44   |
| 7. The Value Added in Manufactures in Lawrence; 1913-1918  | 47   |
| 8. The Capital Invested in Manufactures in Lawrence;<br>1919 - 1938 . . . . .                      | 61   |
| 9. The Value of Stock & Materials Used in Manufactures<br>in Lawrence; 1919 - 1938. . . . .        | 64   |
| 10. The Amount of Wages Paid During the Year in<br>Manufactures in Lawrence; 1919 - 1938 . . . . . | 66   |
| 11. The Average Number of Wage-Earners in Manufactures<br>in Lawrence; 1919 - 1938. . . . .        | 69   |
| 12. The Value of Product in Manufactures in Lawrence;<br>1919 - 1938 . . . . .                     | 71   |
| 13. The Value Added in Manufactures in Lawrence; 1919-1938   | 73   |
| 14. Population . . . . .   | 86   |
| 15. The Capital Invested in Manufactures in Lawrence;<br>1939 - 1943 . . . . .                     | 89   |
| 16. The Value of Stock & Materials Used in Manufactures<br>in Lawrence; 1939 - 1943. . . . .       | 91   |
| 17. The Amount of Wages Paid During the Year in<br>Manufactures in Lawrence; 1939 - 1943 . . . . . | 94   |



|   | Page |
|---|------|
| 18. The Average Number of Wage-Earners in Manufactures<br>in Lawrence; 1939 - 1943. . . . . | 96   |
| 19. The Value of Products in Manufactures in Lawrence;<br>1939 - 1943 . . . . .             | 99   |
| 20. The Value Added in Manufactures in Lawrence; 1939-1943.                                 | 102  |



LIST OF GRAPHS

|   | Page |
|---|------|
| 1. Capital Invested in Manufactures in Lawrence;<br>1913 - 1918. . . . .                  | 32   |
| 2. Value of Stock & Materials Used in Manufactures in<br>Lawrence; 1913 - 1918 . . . . .  | 35   |
| 3. Amount of Wages Paid Yearly in Manufactures in<br>Lawrence; 1913 - 1918 . . . . .      | 37   |
| 4. Average Yearly Earnings in Manufactures in Lawrence;<br>1913 - 1918. . . . .           | 40   |
| 5. Average Number of Wage-Earners in Manufactures in<br>Lawrence; 1913 - 1918 . . . . .   | 43   |
| 6. Value of Product of Manufactures in Lawrence; 1913-1918                                | 45   |
| 7. The Value Added in Manufactures in Lawrence; 1913-1918                                 | 48   |
| 8. Rise in Wholesale Prices-World War I . . . . .   | 50   |
| 9. Rise in Living Costs in 2 Wars . . . . .   | 57   |
| 10. Living-Cost Trends from the 45th to the 64th Months<br>of 2 Wars . . . . .            | 58   |
| 11. Capital Invested in Manufactures in Lawrence; 1919-1938                               | 62   |
| 12. Value of Stock & Materials Used in Manufactures in<br>Lawrence; 1919 - 1938 . . . . . | 65   |
| 13. Amount of Wages Paid Yearly in Manufactures in<br>Lawrence; 1919 - 1938 . . . . .     | 67   |
| 14. Average Number of Wage-Earners in Manufactures in<br>Lawrence; 1919 - 1938 . . . . .  | 70   |
| 15. Value of Product of Manufactures in Lawrence;<br>1919 - 1938. . . . .                 | 72   |
| 16. The Value Added in Manufactures in Lawrence;<br>1919 - 1938. . . . .                  | 74   |
| 17. Capital Invested in Manufactures in Lawrence;<br>1939 - 1943. . . . .                 | 90   |
| 18. Value of Stock & Materials Used in Manufactures in<br>Lawrence; 1939-1943 . . . . .   | 92   |



|   | Page |
|---|------|
| 19. Amount of Wages Paid Yearly in Manufactures in Lawrence; 1939 - 1943. . . . .               | 95   |
| 20. Average Number of Wage-Earners in Manufactures in Lawrence; 1939 - 1943. . . . .            | 97   |
| 21. Value of Product of Manufactures in Lawrence; 1939 - 1943 . . . . .                         | 100  |
| 22. The Value Added in Manufactures in Lawrence; 1939 - 1943 . . . . .                          | 103  |
| 23. Capital Invested in Manufactures in Lawrence; 1914-1918; 1939-1943 . . . . .                | 114  |
| 24. Value of Stock & Materials Used in Manufactures in Lawrence; 1914-1918; 1939-1943 . . . . . | 116  |
| 25. Amount of Wages Paid Yearly in Manufactures in Lawrence; 1914-1918; 1939-1943 . . . . .     | 118  |
| 26. Average Number of Wage-Earners in Manufactures in Lawrence; 1914-1918; 1939-1943 . . . . .  | 121  |
| 27. Value of Product of Manufactures in Lawrence; 1914-1918; 1939-1943 . . . . .                | 122  |
| 28. The Value Added in Manufactures in Lawrence; 1914-1918; 1939-1943 . . . . .                 | 124  |







## SECTION I.

### PREFACE

#### A. The Scope Of The Study

The purpose of this study is to present a comparative analysis of the conditions that existed in a textile city during World War I, leading up to analogous conditions that exist today. These will be viewed from the stand-point of a clothing retailer in Lawrence, Massachusetts. A city of this kind is typical of the industrial East, where the bulk of a community's population is employed in one industry, and the rest obtain their livelihood from small plants and retail establishments.

At the present time a city of this type is very prosperous. Its prosperity is derived from the many government orders and the influx of population necessary to fill these orders. Property is rented to its capacity thus bringing the price of real estate to a peak. It has been noticed that during this period there is a trend towards buying better clothing due to prosperous conditions in the form of high wages paid by the industry, and the fear of one's inability to get clothing. Since many people in Lawrence are cloth-conscious and know about clothing, they are buying the better merchandise because they can afford it, and because it will last longer.

The clothing retailer is faced with many situations. His inability to get the proper merchandise necessary to please



the demands of his customers is the most difficult of these problems.

At the present time, most of the purchasers are of middle age. The middle-aged customer, such as the industrial worker, is more concerned with the pattern of the cloth than with the style of the garment; therefore, the pattern must be on the conservative side. The retailer must be quick to analyze his customer, thus avoiding "dead stock".

Another problem that baffles the retailer is whether or not he should keep both high and medium-priced clothes to satisfy the youths who, in many cases, are extremists in styles. Also, there is the problem of how much sports-wear and weather clothes to have on hand.

Another very important problem that must be faced by the retailer is his inability to get competent sales help. Often times he is forced to be his own salesman and buyer.

The work-room, better known as the alteration shop, a very important part of the store, has a problem that constantly perplexes the retailer, for it is very difficult to get skilled tailors and fitters. Many times, the retailer himself must be able to do the fitting and tailoring competently. Such are the conditions that face the retailer today.

#### B. Why Lawrence Was Selected

Lawrence was selected as the subject of this case-study for several reasons.

First, because it is typical of many industrial



cities. This means that, with slight modifications and the necessary substitutions in data, merchants in other industrial communities may use the thesis as a guide in making studies and predictions for their own particular communities.

The next reason for Lawrence being the author's choice for this study is that his personal affiliations and experiences in the city permit him to speak of facts first-hand as he observed them.

The author was born in Lawrence, Massachusetts and has spent the major part of his life there. He has seen the city when it was flourishing in prosperity, and also when it was struggling in dark periods of depression. These peaks and valleys of business were not viewed in a second-hand manner. They were felt keenly, for the author himself owns and manages a men's clothing store in the city.

Since the business that he does is retail, he is in a position to be sensitive to the different reflections of the buying power of the population, because the degree of freedom with which money is spent is immediately reflected in his sales records.

In addition, there is another very important reason for the selection of Lawrence, Massachusetts for this study. The city is the author's immediate market. A business establishment and its market bear the same relationship as the heart does to the human body. Any effect upon the heart is immediately reflected in the functioning of the body. The





same analogy is true in the case of the business establishment to its market. Therefore, one must not only study his market, but must also try to anticipate any possible changes that may effect it.

### C. Description of Lawrence

For a city whose area is approximately seven square miles, Lawrence, Massachusetts is noted as the "capital of the woolen and worsted textile industry in America"<sup>(1)</sup>. Approximately 21,000 people are employed in this industry alone.

Before analyzing the problems and presenting possible remedies, a somewhat detailed description of the community is necessary. This will be taken up under the following headings:

1. Location and Bordering Cities.
2. Size and Topography.
3. Population.
4. Utilities.
5. Industries.
6. Transportation.
7. Public Buildings.
8. Newspapers.
9. Banks.
10. Organizations (Social and Business).
11. Amusements.

#### 1. Location and Bordering Cities.

Lawrence is located in the northeastern part of Massachusetts near the New Hampshire State Line. Following State Highway Route #28 out of Boston, the Capital of Massachusetts,

(1) Griffith, Ward Co., Inc., "Lawrence, Massachusetts, the capital of the woolen and worsted textile industry in America", (not dated).





one will reach Lawrence twenty-six miles north-northwest of Boston. Methuen borders Lawrence on the west, north, and north-northeast. North Andover borders it on the east and southeast, and Andover borders the city on the south. Its location places Lawrence in a very desirable position. It is analogous to the hub of a wheel--it is the shopping center drawing clients regularly from surrounding cities and towns. (1)

## 2. Size and Topography.

Lawrence covers an area of six and seven-tenths square miles. (2) Its territory extends on both sides of the Merrimack River, which is important primarily for the water-power that it makes available to its industries. The main part of the city lies in a valley that runs north and south. This valley is bounded by three highlands--on the west by Tower Hill, on the north by Clover Hill, and on the east by Prospect Hill. The main business district is the part of the city that lies in the valley north of the Merrimack River. The highlands and the outskirts of the city are the residential parts of the community. (3)

## 3. Population.

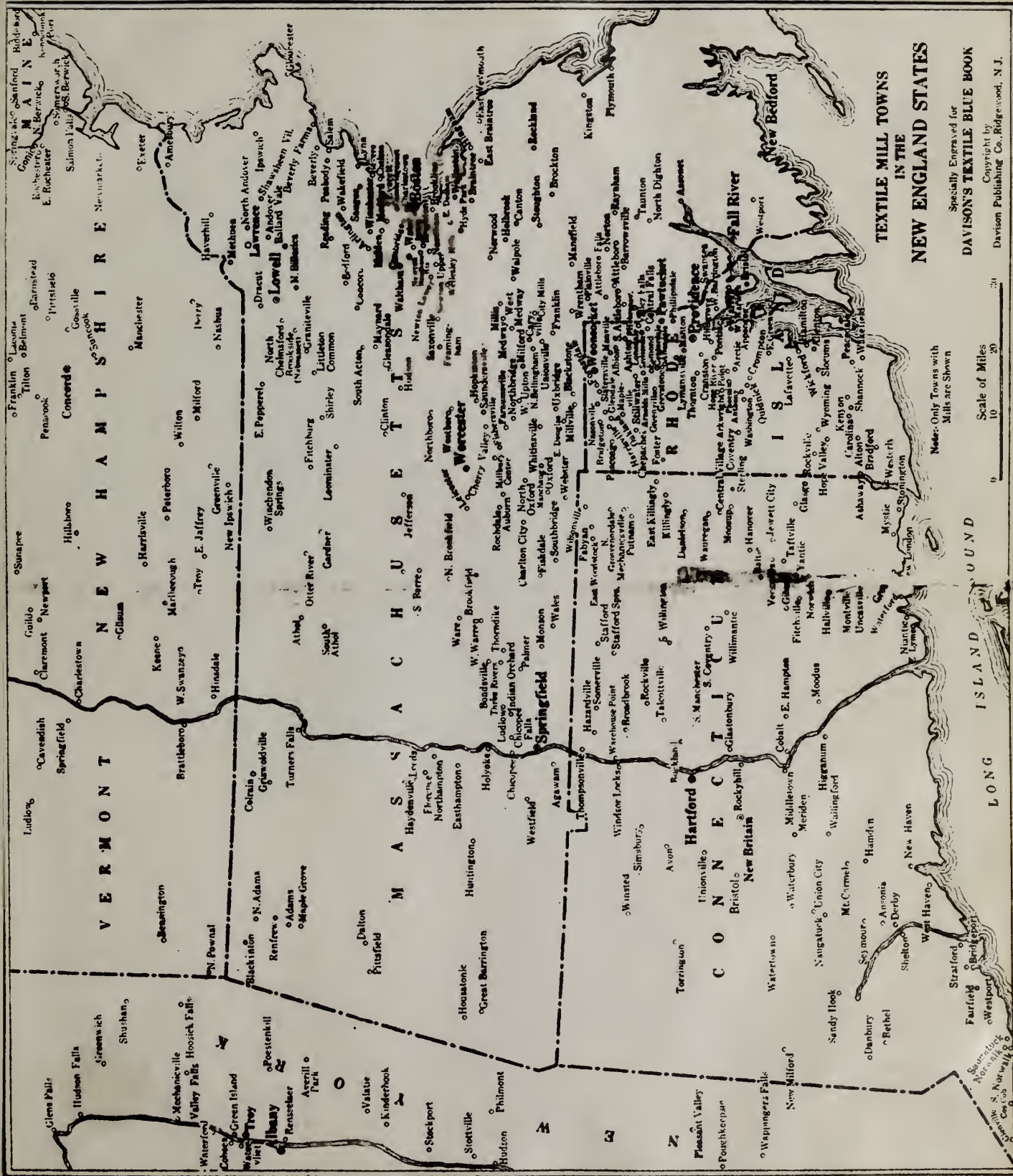
The population of Lawrence is diversified with the

(1) See map on Page 6.

(2) Lawrence, Essex County, Massachusetts--Community Statistical Abstract--Copyright 1942 by Bureau of Business Research, Boston University College of Business Administration, Boston, Massachusetts.

(3) See map on Page 7.





TEXTILE MILL TOWNS  
IN THE  
NEW ENGLAND STATES

Specialty Engraved for  
DAVISON'S TEXTILE BLUE BOOK  
Copyright by  
Davison Publishing Co., Ridgewood, N.Y.

Scale of Miles  
0 10 20

Note: Only Towns with  
Mills are Shown

ISLAND SOUND  
LONG











American, Italian, and French nationalities predominating in that order. According to the 1940 Census, Lawrence had a population of 84,323. The native whites totalled 61,234; foreign born totalled 22,939. The percentage of native whites in the city was 72.62%, and the percentage of foreign born in the city was 27.20%. The percentage of foreign-born Italians to the total is 6.76% and the percentage of the foreign-born French is 4.24%.

The density of population of the city in 1940 was 12,585.5 per square mile.

#### 4. Utilities.

There are several public utility companies in Lawrence; namely, the New England Telephone and Telegraph Company, servicing 20,565 telephones in Greater Lawrence, the Lawrence Gas and Electric Company, which is a subsidiary of the New England Power and Light, servicing 39,490 AC electric meters and 31,695 gas meters, and the City of Lawrence Water Department, with a daily delivery capacity of 8,000,000 gallons and a storage capacity of 45,325,147 gallons.

Because of the fact that the cities bordering the Merrimack River, which is the main source of water supply for

(1) Op. cit., Community Statistical Abstract.

(2) This information secured from the Lawrence, Massachusetts Office of the New England Telephone and Telegraph Company.

(3) Ayer, N.W. and Sons, "Directory of Newspapers and Periodicals", 1943.

(4) Op. cit., Community Statistical Abstract.





the City of Lawrence, have found it convenient and economical to use this body of water as a means of disposing of refuse and other waste matters, the City of Lawrence has found it necessary to develop an efficient and hygienic filtration plant.

## 5. Industries.

The major industry in the City of Lawrence is woolen and worsted textiles. The business curve for the city coincides with this industry, since it is the means of livelihood for the majority of the city's population. There are, however, other industries of lesser importance. The following is a list of  
(1)  
the principle types of manufacturing:

Woolen and worsted cloth

Woolen yarns

Textile printing and finishing

Hard rubber products

Plastics

Fibre rugs

Textile bobbins

Machine products

Laces (shoe and corset)

Hosiery

Beverages

Ice cream

Wooden boxes

(1) Op. cit., Community Statistical Abstract.



Shoes

Textile Chemicals

Soap.

6. Transportation.

There are several bus lines in the city which maintain regular bus schedule throughout the day.

The Eastern Massachusetts Street Railway Company operates the main bus-line in the city. It services Lawrence and the nearby trading area, with service over 20.8 street miles. (1) There are also a large number of taxi-cab companies. The Boston and Maine railroad maintains a station in the city.

7. Public Buildings.

There is a total of one hundred and seventeen public buildings in Lawrence. (2) They are designated in the following categories:

A City Hall, three hospitals with a capacity for 300 beds, two libraries with about 111,250 volumes, two Courthouses, one police station, eight fire station houses, a water pump and filter station, a post office, and fifty-seven churches.

8. Newspapers.

There are six newspaper publications in Lawrence; The Bee, The Fleet, The Lawrence Weekly Item, The Sunday Star, The Sunday Sun, and the Lawrence Eagle and Evening Tribune. (3)

(1) Source: Employee of company desiring to remain anonymous.

(2) Lawrence City Directory, 1941.

(3) Classified Telephone Directory of Lawrence.



Of these publications, the one that has the widest circulation and is recognized as the city's leading newspaper, is the Eagle-Tribune, with a daily circulation figure of 33,700. (1) The circulation figure for the Lawrence Sunday Sun is 8,966. (2) It must be noted, however, that the Eagle-Tribune is the only daily publication in the city.

#### 9. Banking Facilities.

There are ten banks in the City of Lawrence with resources totalling \$84,507,625. The banks are listed as follows: (3)

TABLE I

| BANKS                                | TOTAL<br>RESOURCES  | DEPOSITS            | LOANS AND<br>DISCOUNTS |
|--------------------------------------|---------------------|---------------------|------------------------|
| Essex Savings Bank                   | \$29,081,000        | \$25,152,000        | \$15,269,000           |
| Lawrence Savings Bank                | 14,364,000          | 12,967,000          | 7,075,000              |
| Arlington Trust Company              | 12,002,000          | 10,417,000          | 5,828,000              |
| Broadway Savings Bank                | 10,635,000          | 9,440,000           | 5,521,000              |
| Bay State Merchants National Bank    | 8,153,000           | 7,121,000           | 3,445,000              |
| Community Savings Bank               | 2,852,000           | 2,560,000           | 1,605,000              |
| Lawrence Morris Plan Banking Company | 714,000             | 595,000             | 632,000                |
| Atlantic Co-operative Bank **        | 1,158,825           | 1,072,902           | 986,319                |
| Lawrence Co-operative Bank **        | 2,948,552           | 2,737,012           | 2,652,958              |
| Merrimack Co-operative Bank **       | 2,601,248           | 2,290,241           | 2,324,303              |
|                                      | <u>\$84,507,625</u> | <u>\$74,352,255</u> | <u>\$45,338,580</u>    |

\*\* Figures are "Total Resources", "Capital", and "Real Estate Loans" as of the close of October 1940 business.

#### 10. Organizations, Social and Business.

Lawrence has forty-one organizations of a social nature.

- (1) Op. Cit., Ayer, N.W. and Sons.
- (2) Lawrence Publications, Inc.
- (3) Op. Cit., Community Statistical Abstract.





In addition, there is a Chamber of Commerce, a Community Chest,  
(1)  
and forty-three labor organizations.

The clubs are active--running affairs and soliciting advertisements from the local merchants, thereby, keeping the different company names before the public.

Using the radio as a medium, the labor organizations are frequently contacting the employees of the different mills and companies.

#### 11. Amusements.

For recreational purposes, Lawrence has city parks, children's play-grounds, and swimming pools.

In addition, the city has eleven theaters and numerous dine and dance establishments. The latter aids the retail business in the city by bringing in many people from the neighboring cities and towns.

#### D. Store Location

A business location for a retail establishment is of paramount and primary importance. In general, a retail business establishment may be very efficiently managed and operated by men who are highly skilled in their field, and it may carry merchandise that is considered very fine in quality, but one will find that in order for that establishment to be successful, it must have a good location.

(1) Op. cit., City Directory.





The importance of a location to the retail store has long been recognized by the managers of large stores and retail chains. Now, the people who operate small establishments and specialty shops are becoming cognizant of this fact. It has been noticed that mistakes in location have very often resulted in preventing a small establishment from growing, and in some cases, have forced the retailer to either move to a better location, at great expense and loss of time and good will, or else go out of business.

The general rule used in making a selection of a good business location for a retail store is to choose a site where the largest number of people pass. The rating of a location determines what the rent may be, how much money may be invested profitably in it, the type of building, front, layout, and fixtures, and the real estate tax rates. A location for a retail store is rated by the following measures: Its profit-making potentialities, the trading area of that location, the particular line of business that is conducted there, the character of the potential clientele, the purchasing power and habits of the people, the types of stores that are located about the site, the amount of traffic and its peculiarities (vehicle as well as pedestrian), and the different sides of a street.

#### 1. The Main Street.

The majority of the retail business done in Lawrence is confined to its main street--Essex Street. It is situated



in the lowlands of the city, north of the Merrimack River, and runs East and West. The main shopping district in the street is about a mile long. The sidewalks and the roadway are roomy making for easy vehicular as well as pedestrian traffic. The street is eighty feet wide. The shopping district is lined with lights, making for a bright "white way" for evening shoppers.

There are some problems, however, for the merchant desiring to do business on this thoroughfare. For some reason, the people have formed the habit of walking on the North side of the street in their shopping tours. The result has been that the land evaluation, taxes, and rent are substantially higher on that side of the street. The point where most people are clocked on the street is at about the middle of the shopping district where busses unload most of their passengers. This spot, because of the fact that people also wait there for their busses, has resulted in the blocking of display windows. This particular spot would be a favorable one for a business dealing in "convenience goods", because a person doesn't need to deliberate in making the purchase. He can rush into a store, get his article, and be on his way in a few moments.

Stores that deal in "shopping goods" face a more difficult problem. Here are included clothing, shoes, furniture, and other items where sales depend upon their appeal to the clientele's taste.

They also need display space, for the prices of these



articles are high enough to warrant a person's shopping around and deliberating some time before making a purchase. The merchants operating stores of this type would find that a location on either side of this congested point would be more beneficial for their business.

Another point that must be considered in choosing a location on Essex Street is to decide what sex your establishment will cater to. It has been noted that the larger men's stores are located to the west of the bus terminal, while the larger women's stores are located east of that point.<sup>(1)</sup>

a. Rent.

As has been pointed out in the above, the sites on the North side of Essex Street are higher in rent than those on the South side, due to the greater opportunity afforded to retailers to make sales. This difference in the value of the different sides of the street is recognized by the municipal tax department. The tax evaluation of the land on the South side of the street is approximately one-third lower than the amount assessed for the sites on the northern side. For example:

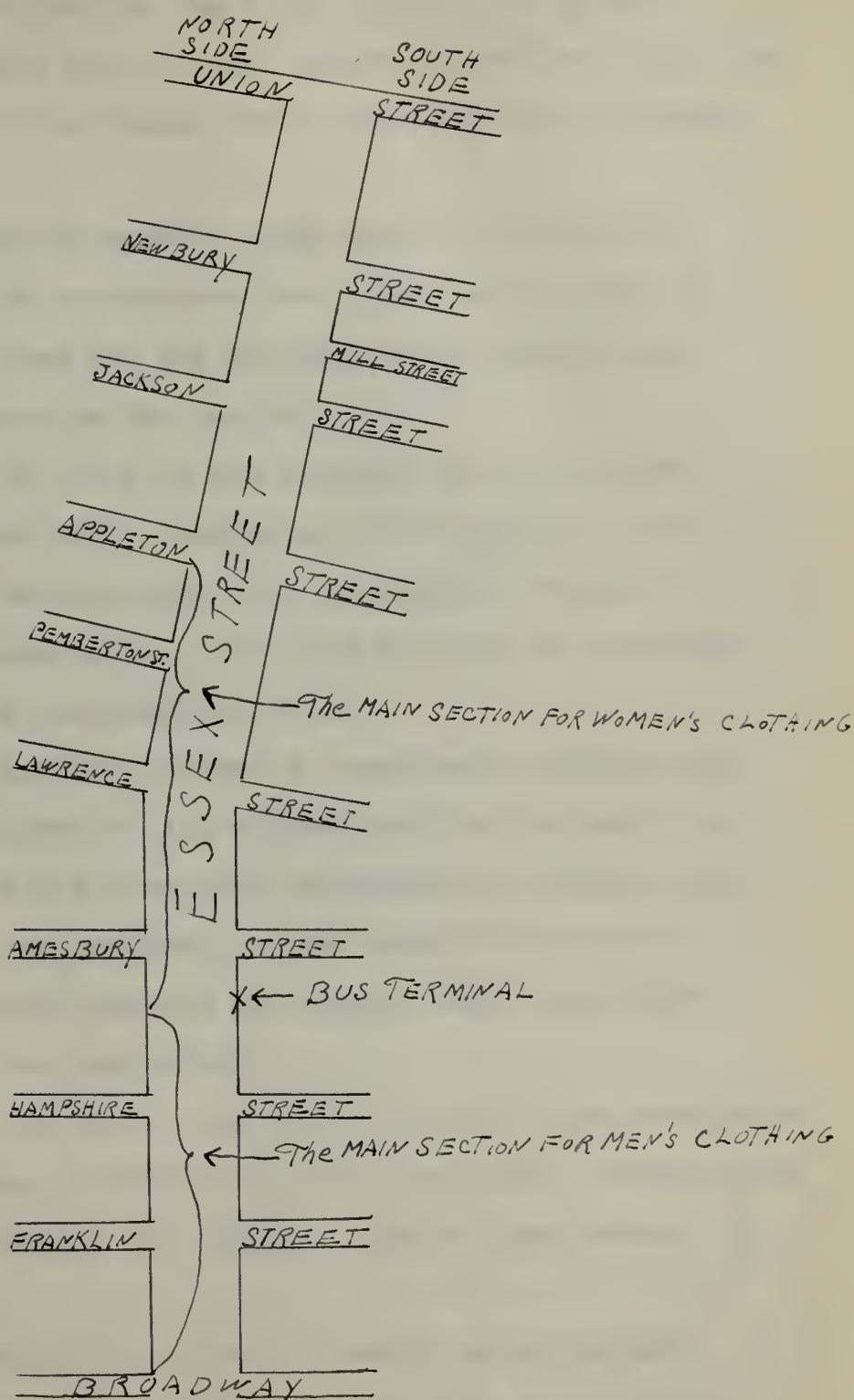
Two sites, directly accross the street from each other are assessed at the following rates:  
\$7.50 per square foot for the site on the South side of the street, as compared with \$11.20 per

(1) See sketch map Page 16.









SKETCH MAP  
OF  
ESSEX STREET



square foot on the North side of the street.

The amount of rent paid is not, however, based only upon the assessed value of the land, for it includes the following items:

The use of capital improvements on the site must be compensated for. This part of the expenditure for the location is considered the interest on the capital.

If the site has acquired an asset known as good will, because of the fact that a retail establishment had conducted a successful business there, this item too must be included in the compensation paid.

Another factor is presented in determining the amount of the expenditure for the use of a site and its capital improvements; namely, whether the landlord or the tenant will bear the expenses incurred for taxes, insurance, depreciation, and upkeep.

In addition to the above, one should consider the question of supply and demand. There are particular sites that are more desirable than others for certain types of businesses. For example:

A site that has had successful retail establishments, had built up good will for the site as well as the store. One must then take into



consideration the possibility of competition between different merchants to secure a particular location, thereby forcing the price for that site up beyond the point of its actual value.

b. Traffic Trend.

The amount of traffic (mainly pedestrian) that passes a certain location is one of the main factors used in determining the value of that particular site. This can be determined by clocking the people passing a site. This figure must be coupled with further information however, so that it can be used to present a picture of the situation that actually exists.

In cases like ours, where the store caters to men, the sex of the passers-by is rather important. It has been observed that in some cases the woman will choose the man's garment, but she usually does this in the form of consultation.

The character of the traffic is another important factor for consideration. Are the people going to or coming from work? Are they shopping? Are they on their way to some form of entertainment? Are they simply sight-seeing? Or are they persons without jobs simply drifting by? These are important considerations, for in shopping goods stores, the people who are out to buy are the ones that count most, although a person may wander in now and then, attracted by the displays in the windows.





The percentage of the passers-by that enter a clothing store is not high, but the percentage that stop to look in the show-windows is quite high. This is in favor of the progressive store that deals in shopping goods. The display space of such a store is usually attractive and serves to create a desire for the displayed articles, so that even if the consumers go on their way, they will go on thinking about the displayed articles.

c. Display.

It is common knowledge among retailers that the store's window-display is one of the most valuable mediums of advertising. It presents a picture showing the article off to its best advantage, with all the necessary trimmings, and its natural color.

The author's experience has been that many strangers and consumers, classified as transients, have been so impressed by the window-display space that they not only came in to the store to look, but that they finished up by buying. This has happened so often that these so-called transients have become a substantial part of the store's clientele.

d. Profit-making Potentialities.

A location for a retail store is rated by its profit-making potentialities. These are dependent upon the opportunity to make sales. This opportunity depends upon the following conditions:

The trading area of the location, the parti-





cular line of business that is conducted there, population, character of the potential clientele, the purchasing power and habits of the people, the type of stores that are located about the site, the amount of traffic and its peculiarities (vehicle as well as pedestrian), and the different sides of a street.

The trading area of a location is not wholly dependent upon the actual population of a city. That is the situation in Lawrence. The city draws clientele, not only from its natives, and from the towns that surround it, but also from its neighboring cities of Lowell and Haverhill.<sup>(1)</sup> People from these communities come to Lawrence for several reasons. The theaters, clubs, and cafes attract many of these out-of-towners, and while they are in the city, they look about. The progressive merchants of this city take pains to have window-displays that are not only eye-appealing, but that also invite the people into the store. This also calls for having smart, up-to-date store fronts.

It has been noticed that people are quick to make first impressions and that right or wrong they will invariably stick by them. If they do change their opinions, it is done only after a good deal of consideration, and even then with a certain amount of reservation.

(1) Refer to Chapter IV, Table XV.



Since the store's front is what people first see, it must be inviting, attractive, and should, to a practical degree, suggest the character of the business. In our case, where we are operating a men's clothing store, catering to men who desire a well-groomed, distinctive appearance, the store-front is neat, up-to-date--yet, it has a dignified masculine appearance.

Since the progressive merchants of Lawrence have become cognizant of the fact that the store-front, in a large measure, determines the potential customer's first impression of the establishment, one sees that quite a large number of the city's stores are very eye-appealing and would do credit, not only to this community, but to large metropolitan cities such as Boston, Massachusetts and New York City.

After the customer gets beyond the store-front, the layout and interior of the store must continue to supplement that favorable first impression.

e. Advertising.

Advertising is the retailer's medium for contacting potential customers. A store may be in a good location, and it may have salable merchandise, but if the public doesn't know about the values available to it, the establishment will do no business. Through advertising, however, this same establishment will be able to let people know of its existence and also be able to invite the people to visit the store. There are different mediums of advertising that can be used by the retailer, depending upon the type of business that is done.



Newspaper advertising is dependent upon circulation. It is sufficient to produce the desired results for small and medium-sized independent stores whose markets are limited only to local consumers.

Magazine advertising too depends upon the coverage offered as compared with whether or not the product advertised is nationally or locally sold.

The radio is a medium that afford wider coverage, but it is expensive and the returns enjoyed may not be sufficient to compensate for its cost. It is good for chain stores, for organized independents selling a universal product, or for large department stores.

Lawrence has two radio stations, WLAW and WLLH, which are available to the Lawrence merchants who desire this medium of advertising.

Direct mail advertising is used very widely by the different types of retail stores. It is usually in a personalized form of correspondence.

There are other forms of advertising that include outdoor posters, bus cards, directories, and the like. Window display, is a form of advertising that is common to all retailers.

The value of an advertisement is measured by the ratio of the benefit derived from it as compared to its cost. There is one form of advertising, however, that cannot be bought with money, yet it is one of the most effective mediums--





the satisfied customer! A person who is fully satisfied with the merchandise and the service of a store will speak in its favor with a great deal of fervor. It has been the author's experience that the satisfied customer is one of the retailer's biggest assets.

E. The Value Of This Study To The Retailer

The value of this study to the retailer is that it will serve to awaken him to the fact that changes are taking place, and that if one desires to be a success in his field, one must adhere to the statement, "In order to keep abreast (1) of the times, you have got to be ahead of the times."

1. Why Does The Retail Business Have To Be Studied?

At one time, when retailing was in its infancy, it was a rather simple mechanism. The "barter system" was used. Then the "drummer", now called the "travelling salesman", came into the picture. Later, a place of business was opened up and retailing got to be more complicated because of over-head expenses, but it was still a matter of buying and selling with a great deal of haggling. Haggling exists today, although it is frowned upon by most people and by all progressive merchants.

After some time, a change was noticed. People were no longer interested only in having a garment that kept them warm and complied with the laws of society. The consumer had become conscious of the different colors and styles of apparel

(1) Perkins, Professor, "Post-War Planning Class, October 2, 1944, College of Business Administration, Boston University, Boston, Massachusetts.



that were in fashion. A style accepted by the majority of the people for a long period of time is called a fashion. Styles, as such, never change, but fashionable styles are continually changing.

The store-keeper found that buying and selling were still the theme of his business, but that he had to buy merchandise with consumer appeal in order to be able to sell it. This called for a specialist to do the buying. He had to be a man learned in his line. The buyer now had to have a thorough knowledge of cloth, and he had to know the different processes that the raw material was put through in order to come out a finished product. He had to keep posted on what styles were to become fashionable, because he makes the financial commitment in his buying about six months or so before the merchandise is to reach the ultimate consumer.

Next, the shop-keeper found out that an experienced buyer was not enough. He had to know how much he was to buy and what sizes and models were necessary for this particular clientele. That involved keeping inventory, having sales records, and studying the desires of his customers.

After that was taken care of and he had received the merchandise, the selling job turned out to be more difficult too, for the salesman had to be trained also. The merchandise had to be displayed properly in order to give the article eye-appeal. Other stores opened up offering competition, forcing him to use more and more methods of control. This went on un-



til today one finds that retailing is a very complicated mechanism. The retailing field is a dynamic one, and unless the retailer is alert mentally and physically, and willing to work, he may find himself forced out of business. A retailer cannot afford to sit back and enjoy a reputation that he has built up in the past, as some are doing, for he will soon find himself classified as one of those who "also ran".

## 2. The Future Of His City, Location, and Business

The future of a retailer's city, location, and business are so closely related that in discussing one, all three must be considered. Will the city grow and become more important economically? Or will the reverse be true and a financial decline result? Will zoning laws change, or will the retail shopping-center move, thereby affecting the retailer's location and in turn his business?

These questions will be taken up and discussed in the body of this thesis.





## SECTION II.

### CONDITIONS DURING WORLD WAR I

The conditions that existed in Lawrence during World War I are quite similar in character to those of the present. The people are the same, and the type of government is also similar. There was, however, a more liberal type of economy in that period than there is today. Nevertheless, it is felt that by studying certain situations of that period, one can use the information gained to advantage, as an aid in the study of analogous conditions that exist today.

#### A. Population Trends 1905-1918

The population figures for the period (1905-1918) are of primary importance in obtaining a picture of the retail business in this city, for it is through them that one is able to determine the extent of the retailer's local market. Since transportation in those days was backward, as compared to that of today, the local market was, in many cases, the retailer's only market.

The following are the population figures for this city for the years 1905 through 1918:

| <u>YEAR</u> | <u>POPULATION</u> |
|-------------|-------------------|
| 1905        | 69,939            |
| 1906        | 73,129            |
| 1907        | 76,319            |
| 1908        | 79,509            |

(1) Dorgan, Maurice P., "History of Lawrence, Massachusetts", published by the Author.



| <u>YEAR</u> | <u>POPULATION</u> |
|-------------|-------------------|
| 1909        | 82,699            |
| 1910        | 85,892            |
| 1911        | 86,765            |
| 1912        | 84,638            |
| 1913        | 88,511            |
| 1914        | 89,384            |
| 1915        | 90,258            |
| 1916        | 100,054           |
| 1917        | 91,604            |
| 1918        | 92,406            |

(1)

# 1. The Changes That Occurred.

In 1905, the Wood Mill, one of the largest textile mills in the world, was completed. It was ready to start operations, but it seemed that the population at that time was not able to supply the labor demands of the existing mills and the new Wood Mill. The management of this plant, which was later to become an important part of the American Woolen Company, decided to import labor. They sent out agents who concentrated their efforts in Italy. The agreement was that the transportation fees, which the company advanced, were to be paid back by the laborer from his wages. This resulted in large numbers of people coming into Lawrence, and explains the population figure for 1914.

In 1915, there was a net increase of 874 people, resulting in the figure for that year of 90,258. This change would not have any significance if there were actual U.S. Census figures, for they may have been due to the normal birth-

(1) See Chapter IV, Table XV for foreign born population.



rate, but since these figures are estimates in a war year, one may assume that the outbreak of war the year before was being felt by a greater demand for war materiel.

The figure 100,054 for the year 1916 shows a marked increase of 9,796. The 1916 figure was based on a Federal Census Bureau report for Massachusetts--giving the figure authenticity. The jump indicates that the city's manufacturing companies must have been engaged in war work. The extra work, necessary to meet the demands, brought many people into the city. Since the commuting facilities were not adequate, the indication is that many of the people who came to work brought their families with them and settled in the city.

In 1917, the United States entered the war against Germany. The estimate of the population in the City of Lawrence for this war year was 91,604. This decline in population can be attributed to the number of men taken into the armed forces, and to people moving to the city's suburbs. Mr. Dorgan estimates that 6,000 left Lawrence to go into the service, either with the United States, or with one of its  
(1)  
allies.

The population figure for 1918, the end of the war, was 92,406. The slight increase over the 1917 figure can also be attributed to the return of some of the servicemen to the city.

(1) Dorgan, op. cit.





## 2. Possible Effect These Changes Had On The City.

The effect that these changes in population had upon the city, since the population was increasing, meant that there was a greater demand for consumer goods. The decline in population would have a negligible effect upon the retail trade for an important reason. This loss, in actual count, was not affecting the trading area of the stores, since many of the people had moved to the suburbs which depended upon Lawrence for their consumer goods demand.

### B. Trends Of Manufactures

Manufacturing trends for the years 1913-1918 in Lawrence are important in determining the purchasing power available to the ultimate consumer. By starting with the 1913 figures we can get an idea of what Lawrence was doing before the outbreak of hostilities.

In studying the manufacturing figures, we will consider the following categories:

Amount of capital invested, the value of the stock and materials used, the amount of wages paid during the year, the average yearly earnings of the employees, the average number of wage-earners, and the value of product.

The figures for each of these divisions have been put into Table and Graph form in order to show the trends that took place more clearly.



1. Capital Invested.

Graph I deals with the amount of capital invested. In 1913 the manufacturing companies had \$88,076,033 in capital invested.

In 1914, the first year of the war in Europe, the figure had increased to \$99,639,625. This was an increase of more than \$11,000,000. The indication is that the warring nations were placing orders for materials with this country.

The amount for 1915 was \$105,136,603. The additional amount was a bit less than \$5,000,000--just about one-half of the 1914 increase.

In 1916, however, the amount of capital used was \$127,110,489--an increase of about \$22,000,000. The assumption here is that the war picture had changed and that sympathy was stronger in favor of the allies.

The following year, 1917, we entered the war and the figure jumped by about \$48,000,000, making the amount invested \$175,534,619. That year we were not only supplying the allies, but our own forces also. This was the peak year for that period.

The end of the war in 1918 is reflected in that year's figure which was \$172,791,156, indicating a general tapering off. It should be noted that the United States was actively engaged in the war for a relatively short period of time, but in that period the mills were using ninety percent of their capacity for war materiel.



TABLE I

THE CAPITAL INVESTED IN MANUFACTURES IN LAWRENCE; 1913-1918

---

| YEAR | CAPITAL INVESTED |
|------|------------------|
| 1913 | \$ 88,076,033    |
| 1914 | 99,639,625       |
| 1915 | 105,136,603      |
| 1916 | 127,110,489      |
| 1917 | 175,534,619      |
| 1918 | 172,791,156      |

---

SOURCE:

ANNUAL REPORTS; 1913-1918

DEPT. OF LABOR & INDUSTRIES

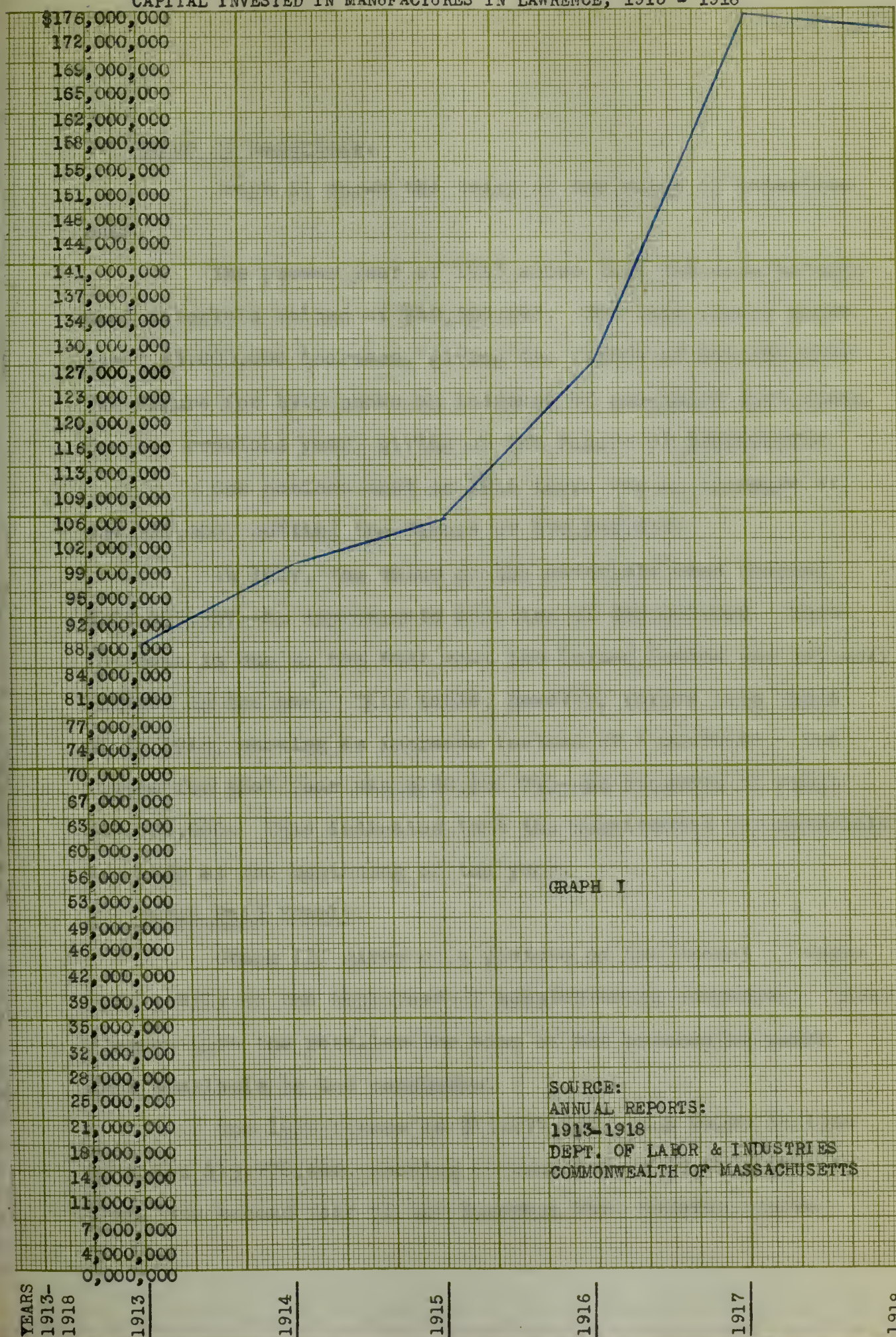
COMMONWEALTH OF MASSACHUSETTS







CAPITAL INVESTED IN MANUFACTURES IN LAWRENCE; 1913 - 1918







## 2. Value of Materials.

Graph II shows the trend of the value of materials used.

The prewar year of 1913 shows that the manufactures used materials valued at \$42,350,193. The 1914 figure shows about \$3,000,000 increase, giving the figure of \$45,152,230. The figure for 1915 shows an increase of one-third that shown for the previous year, giving us the figure of \$46,698,784.

One notices that in 1916 there was an increase of \$24,000,000, netting the figure of \$70,951,537.

In 1917, the value of the materials used reached \$106,995,567--an approximate addition of \$36,000,000. This increase is due to the fact that the United States was actively engaged in the war. This table, however, varies from Table II in 1918, showing an increase instead of a decrease. The figure for that year was \$150,181,743--an increase of about \$44,000,000. This indicates that the commitments for materials are made at the beginning of the year.

## 3. Wages Paid Yearly.

Graph III gives us a picture of the amount of wages paid yearly to the employees of manufacturing companies. These figures give the retailer the size of the purchasing power made available to the consumers.

The 1913 figure is \$13,677,522. The wages in 1914 totalled \$15,778,442, showing an increase of \$2,000,000. In 1915, the second year of the European War, however, there



TABLE II

THE VALUE OF STOCK & MATERIALS USED IN MANUFACTURES IN LAWRENCE;  
1913-1918

---

| YEAR | VALUE OF STOCK & MATERIALS USED |
|------|---------------------------------|
| 1913 | \$ 42,350,193                   |
| 1914 | 45,152,230                      |
| 1915 | 46,698,784                      |
| 1916 | 70,951,537                      |
| 1917 | 106,995,567                     |
| 1918 | 150,181,743                     |

---

## SOURCE:

ANNUAL REPORTS; 1913-1918

DEPT. OF LABOR &amp; INDUSTRIES

COMMONWEALTH OF MASSACHUSETTS







VALUE OF STOCK AND MATERIALS USED IN MANUFACTURES IN LAWRENCE; 1913 - 1918

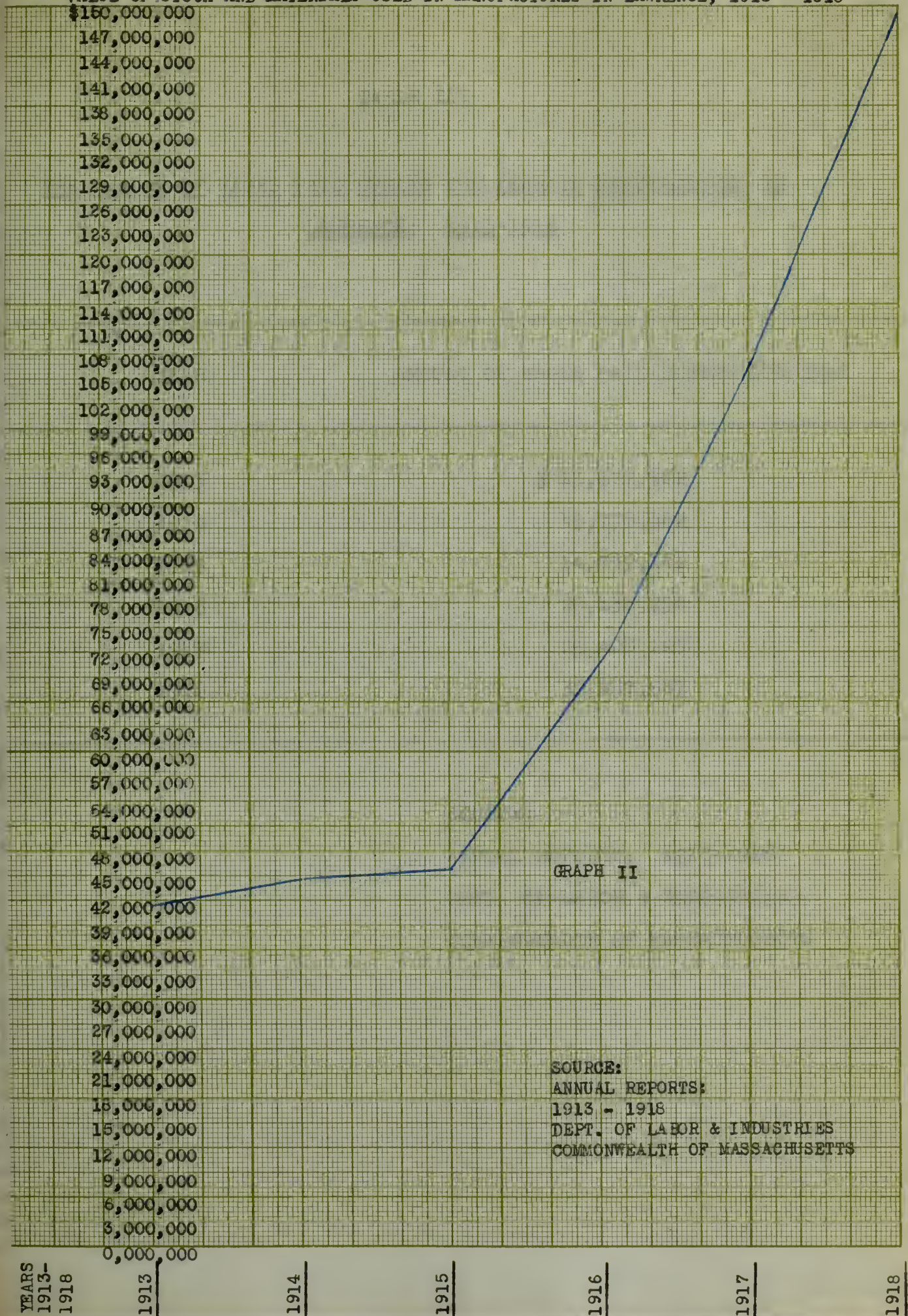






TABLE III

THE AMOUNT OF WAGES PAID DURING THE YEAR IN MANUFACTURES IN  
LAWRENCE; 1913-1918

---

| YEAR | AMOUNT OF WAGES PAID DURING THE YEAR |
|------|--------------------------------------|
| 1913 | \$ 13,677,522                        |
| 1914 | 15,778,442                           |
| 1915 | 14,739,141                           |
| 1916 | 20,138,754                           |
| 1917 | 25,408,225                           |
| 1918 | 32,487,587                           |

---

## SOURCE:

ANNUAL REPORTS; 1913-1918

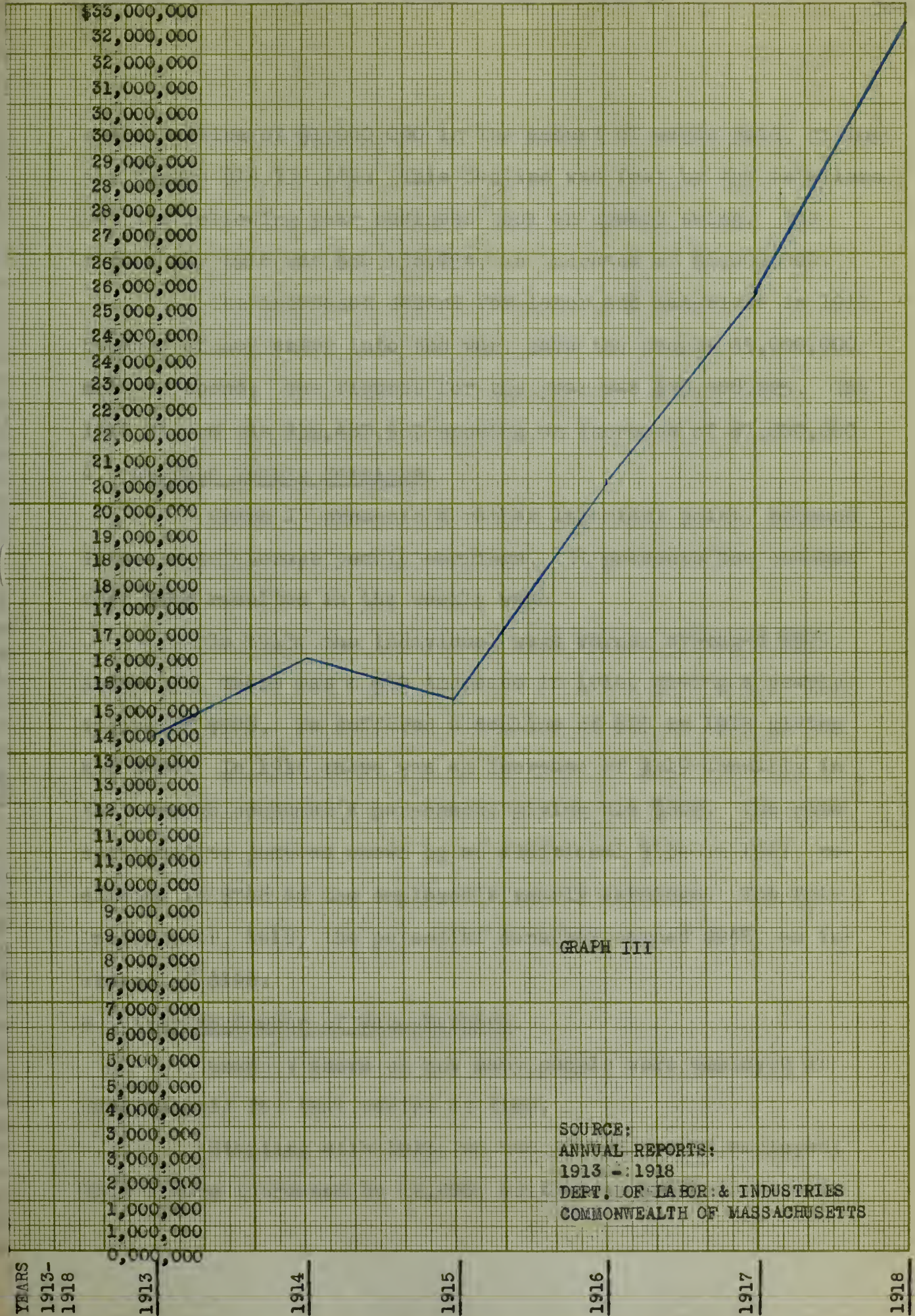
DEPT. OF LABOR &amp; INDUSTRIES

COMMONWEALTH OF MASSACHUSETTS





AMOUNT OF WAGES PAID YEARLY IN MANUFACTURES IN LAWRENCE; 1913 - 1918







|      |            |        |
|------|------------|--------|
| 1941 | 100,000.00 | 100.00 |
| 1942 | 100,000.00 | 100.00 |
| 1943 | 100,000.00 | 100.00 |
| 1944 | 100,000.00 | 100.00 |
| 1945 | 100,000.00 | 100.00 |
| 1946 | 100,000.00 | 100.00 |
| 1947 | 100,000.00 | 100.00 |
| 1948 | 100,000.00 | 100.00 |
| 1949 | 100,000.00 | 100.00 |
| 1950 | 100,000.00 | 100.00 |
| 1951 | 100,000.00 | 100.00 |
| 1952 | 100,000.00 | 100.00 |
| 1953 | 100,000.00 | 100.00 |
| 1954 | 100,000.00 | 100.00 |
| 1955 | 100,000.00 | 100.00 |
| 1956 | 100,000.00 | 100.00 |
| 1957 | 100,000.00 | 100.00 |
| 1958 | 100,000.00 | 100.00 |
| 1959 | 100,000.00 | 100.00 |
| 1960 | 100,000.00 | 100.00 |
| 1961 | 100,000.00 | 100.00 |
| 1962 | 100,000.00 | 100.00 |
| 1963 | 100,000.00 | 100.00 |
| 1964 | 100,000.00 | 100.00 |
| 1965 | 100,000.00 | 100.00 |
| 1966 | 100,000.00 | 100.00 |
| 1967 | 100,000.00 | 100.00 |
| 1968 | 100,000.00 | 100.00 |
| 1969 | 100,000.00 | 100.00 |
| 1970 | 100,000.00 | 100.00 |
| 1971 | 100,000.00 | 100.00 |
| 1972 | 100,000.00 | 100.00 |
| 1973 | 100,000.00 | 100.00 |
| 1974 | 100,000.00 | 100.00 |
| 1975 | 100,000.00 | 100.00 |
| 1976 | 100,000.00 | 100.00 |
| 1977 | 100,000.00 | 100.00 |
| 1978 | 100,000.00 | 100.00 |
| 1979 | 100,000.00 | 100.00 |
| 1980 | 100,000.00 | 100.00 |
| 1981 | 100,000.00 | 100.00 |
| 1982 | 100,000.00 | 100.00 |
| 1983 | 100,000.00 | 100.00 |
| 1984 | 100,000.00 | 100.00 |
| 1985 | 100,000.00 | 100.00 |
| 1986 | 100,000.00 | 100.00 |
| 1987 | 100,000.00 | 100.00 |
| 1988 | 100,000.00 | 100.00 |
| 1989 | 100,000.00 | 100.00 |
| 1990 | 100,000.00 | 100.00 |
| 1991 | 100,000.00 | 100.00 |
| 1992 | 100,000.00 | 100.00 |
| 1993 | 100,000.00 | 100.00 |
| 1994 | 100,000.00 | 100.00 |
| 1995 | 100,000.00 | 100.00 |
| 1996 | 100,000.00 | 100.00 |
| 1997 | 100,000.00 | 100.00 |
| 1998 | 100,000.00 | 100.00 |
| 1999 | 100,000.00 | 100.00 |
| 2000 | 100,000.00 | 100.00 |
| 2001 | 100,000.00 | 100.00 |
| 2002 | 100,000.00 | 100.00 |
| 2003 | 100,000.00 | 100.00 |
| 2004 | 100,000.00 | 100.00 |
| 2005 | 100,000.00 | 100.00 |
| 2006 | 100,000.00 | 100.00 |
| 2007 | 100,000.00 | 100.00 |
| 2008 | 100,000.00 | 100.00 |
| 2009 | 100,000.00 | 100.00 |
| 2010 | 100,000.00 | 100.00 |
| 2011 | 100,000.00 | 100.00 |
| 2012 | 100,000.00 | 100.00 |
| 2013 | 100,000.00 | 100.00 |
| 2014 | 100,000.00 | 100.00 |
| 2015 | 100,000.00 | 100.00 |
| 2016 | 100,000.00 | 100.00 |
| 2017 | 100,000.00 | 100.00 |
| 2018 | 100,000.00 | 100.00 |
| 2019 | 100,000.00 | 100.00 |
| 2020 | 100,000.00 | 100.00 |
| 2021 | 100,000.00 | 100.00 |
| 2022 | 100,000.00 | 100.00 |
| 2023 | 100,000.00 | 100.00 |
| 2024 | 100,000.00 | 100.00 |
| 2025 | 100,000.00 | 100.00 |
| 2026 | 100,000.00 | 100.00 |
| 2027 | 100,000.00 | 100.00 |
| 2028 | 100,000.00 | 100.00 |
| 2029 | 100,000.00 | 100.00 |
| 2030 | 100,000.00 | 100.00 |

Revenue - 100.00  
Expenditure - 100.00  
Total - 200.00

was a decline of \$1,000,000 in the amount of wages paid, giving the figure \$14,739,141. This decline was felt by the retailers, but the following year business took an upward swing. The figure for 1916 was \$20,138,754, an increase of \$6,000,000.

The increased demand for labor and materials in 1917, because of our entry into the war, gave the people \$5,000,000 more to spend. The figures for the year was \$25,408,225. The 1918 figure was \$32,487,587 showing an increase of \$7,000,000.

#### 4. Average Yearly Earnings.

Graph IV presents a rather important point, because it deals in average yearly earnings. It presents the changes that have resulted in the weekly wage.

In 1913, the individual wage earner averaged \$479 annually. There was a \$30 increase in 1914, giving a yearly income of \$508. He suffered a decline of \$23 in 1915 giving him \$484. In 1916 there was an increase of \$119 annually in the average consumer's pay-check, giving him \$602. The rate continued to jump as shown by an additional \$134 in 1917, resulting in \$746 as the employee's yearly earnings. The following year, 1918, the potential consumer earned \$945, an increase of \$198.

#### 5. Average Number of Wage-Earners.

Graph V shows us how many people were employed in manufactures for that period of time.

Starting with 1913, we had 28,566 people employed. This figure increased by 2,500, so that by 1914, there were



TABLE IV

THE AVERAGE YEARLY EARNINGS IN MANUFACTURES IN LAWRENCE; 1913-1918

---

| YEAR | AVERAGE YEARLY EARNINGS |
|------|-------------------------|
| 1913 | \$ 478.80               |
| 1914 | 508.27                  |
| 1915 | 483.79                  |
| 1916 | 656.23                  |
| 1917 | 746.42                  |
| 1918 | 944.93                  |

---

## SOURCE:

ANNUAL REPORTS; 1913-1918

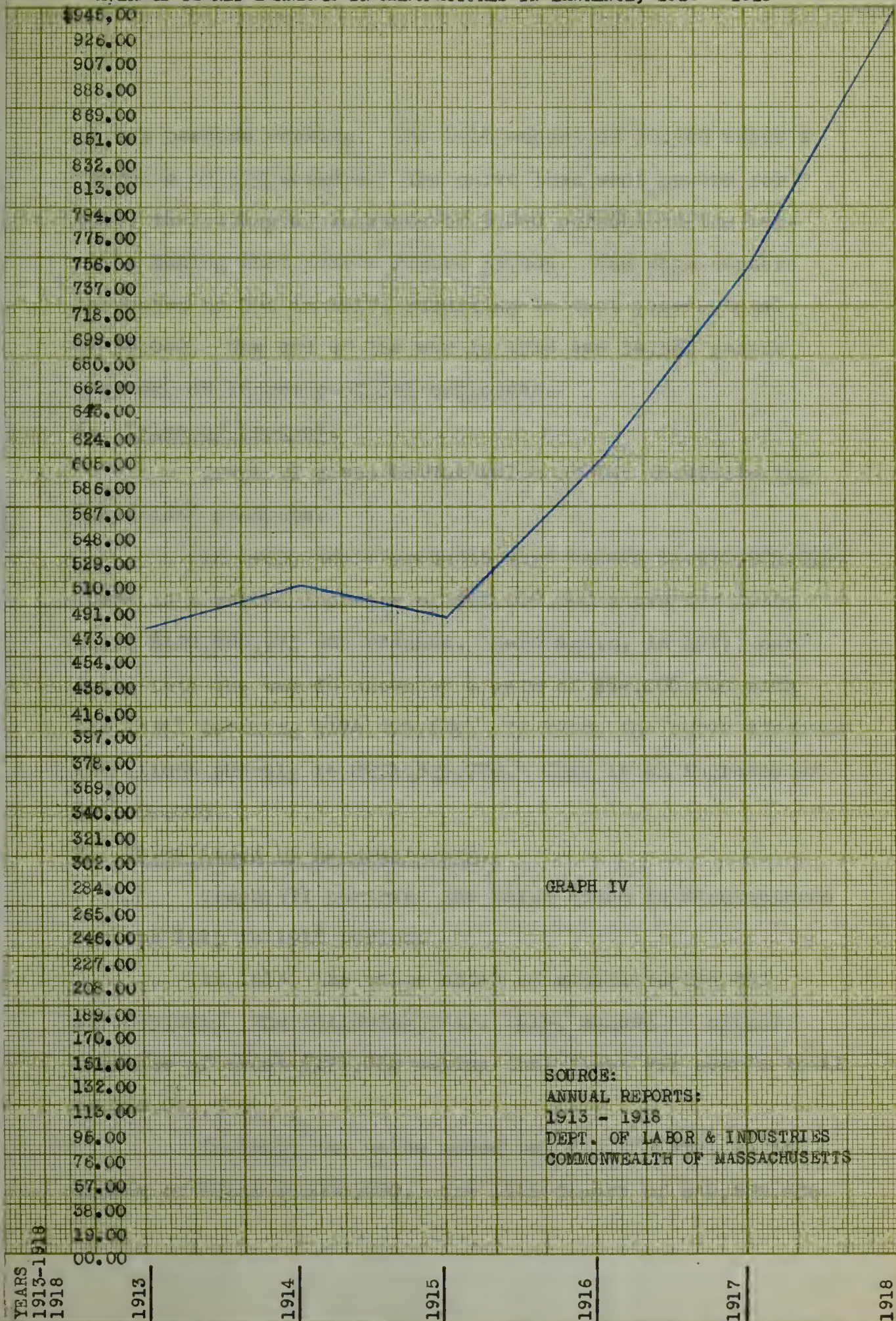
DEPT. OF LABOR &amp; INDUSTRIES

COMMONWEALTH OF MASSACHUSETTS

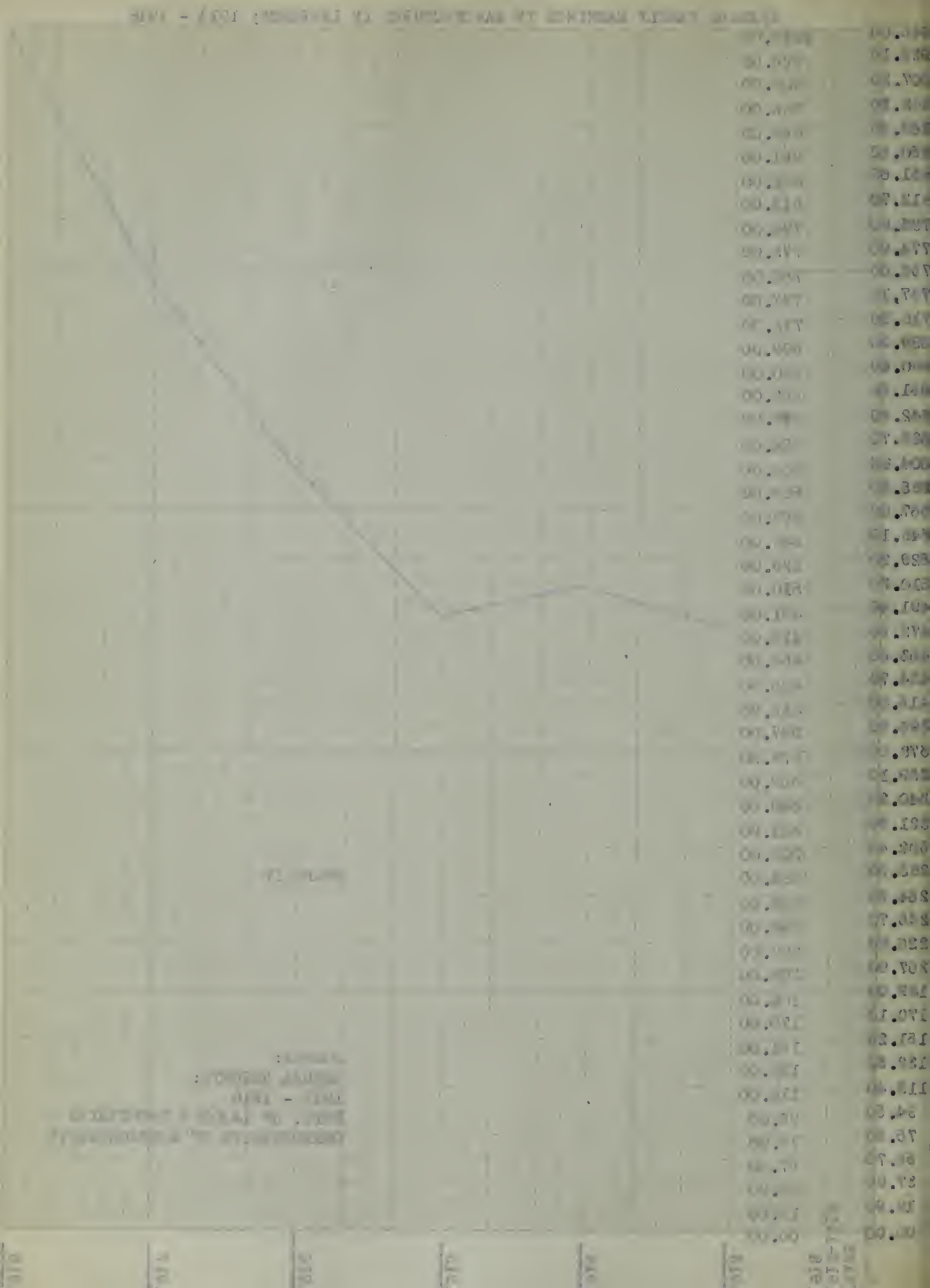




## AVERAGE YEARLY EARNINGS IN MANUFACTURES IN LAWRENCE; 1913 - 1918







1937 - 1938  
1937 - 1938  
1937 - 1938  
1937 - 1938  
1937 - 1938

31,043 persons working. The 1915 amount of 30,466 shows a decrease of 577 workers. The curve then went upward for 1916, indicating an increase of 3,000 persons on the pay-rolls making that year's figure 33,449. The wage-earners increased by 591 in 1917, resulting in that year's total of 34,040. The end of the war in 1918 saw 34,381 people working, an increase of 341 employees.

#### 6. Value of Product.

Graph VI gives us the value of the manufacturing companies' products.

In 1913, their products were valued at \$70,205,214. There is a marked increase of \$41,000,000 shown for 1916, where \$120,180,973 was reached. Here again, in 1917, our entry into the war is shown by a gain of \$54,000,000 with the total reaching \$174,495,689. In 1918, the curve steepens and climbs sharply to \$251,326,770. This is an increase of \$77,000,000.

#### 7. Value Added by Manufacturing.

Graph VII portrays the value added in manufactures for the 1913 to 1918 period.

In 1913, the value added by manufacturing was \$27,855,021. The following year, 1914, showed a slight increase of about \$171,000 making that first war year's total of \$28,025,573.

In 1915, the value added was \$32,706,737, an increase of about \$5,000,000. The 1916 figure of \$49,229,436



TABLE V

THE AVERAGE NUMBER OF WAGE-EARNERS IN MANUFACTURES IN LAWRENCE;  
1913-1918

---

| YEAR | AVERAGE NUMBER OF WAGE-EARNERS |
|------|--------------------------------|
| 1913 | 28,566                         |
| 1914 | 31,043                         |
| 1915 | 30,466                         |
| 1916 | 33,449                         |
| 1917 | 34,040                         |
| 1918 | 34,381                         |

---

SOURCE:

ANNUAL REPORTS; 1913-1918

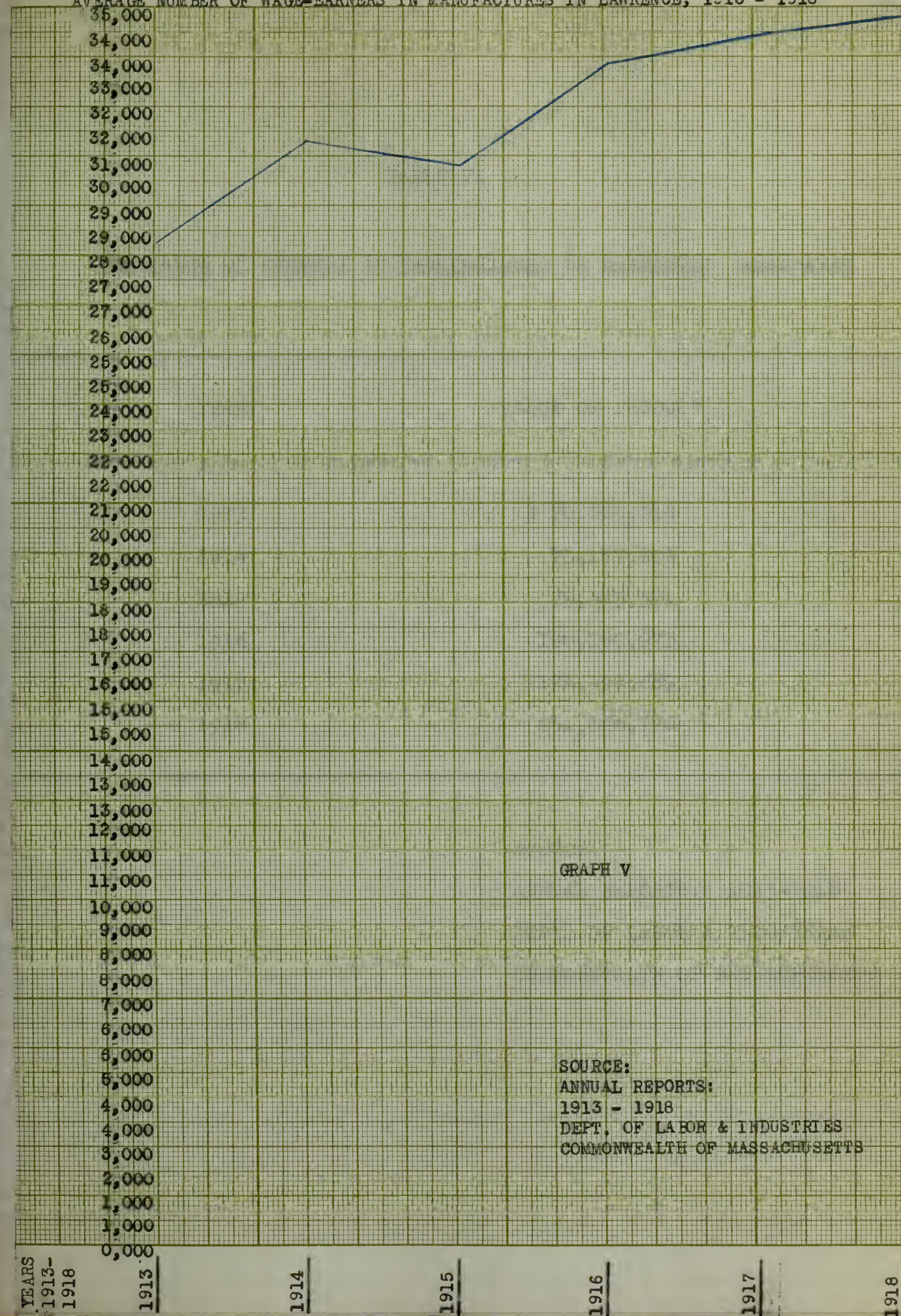
DEPT. OF LABOR & INDUSTRIES

COMMONWEALTH OF MASSACHUSETTS

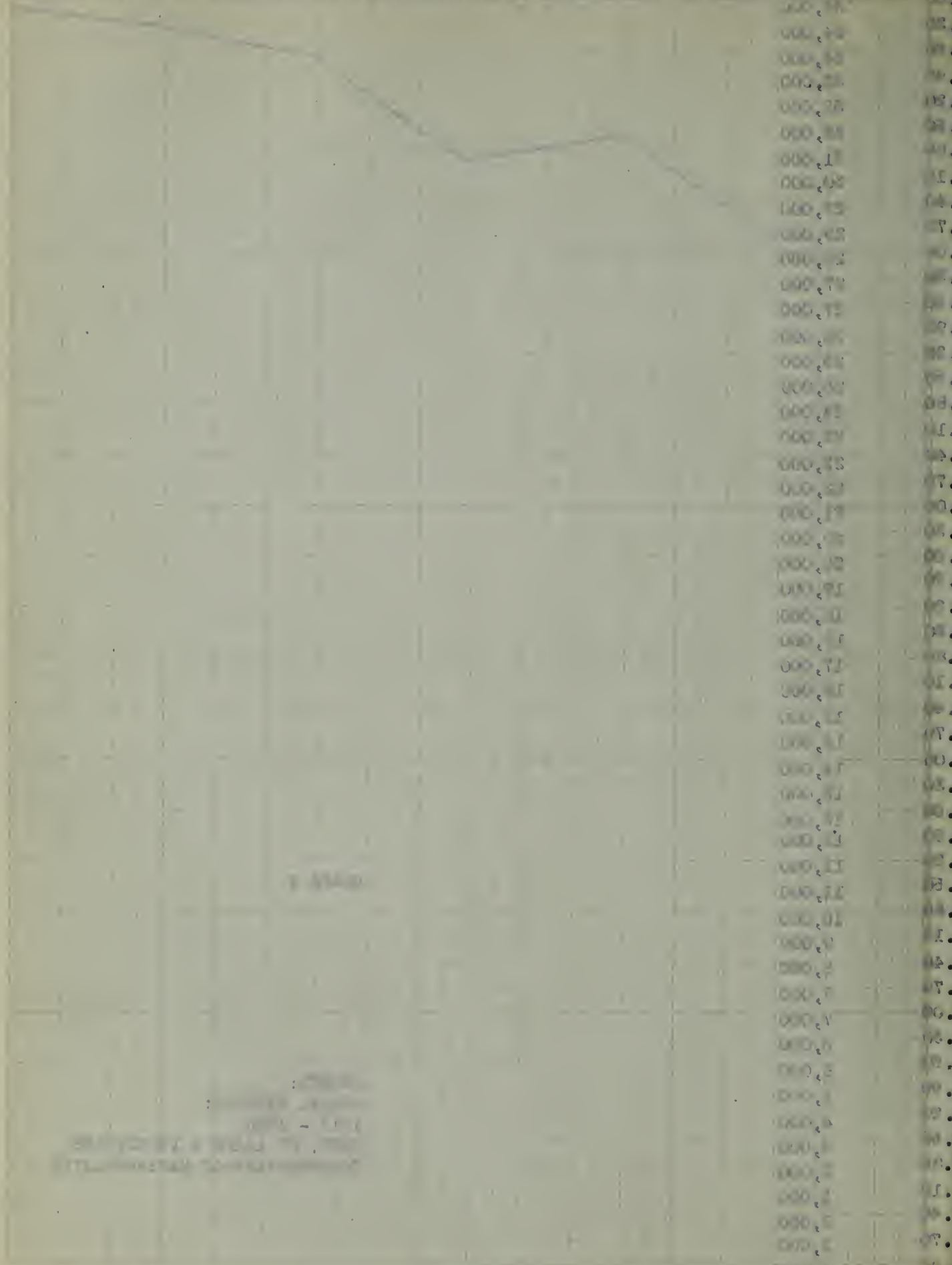




AVERAGE NUMBER OF WAGE-EARNERS IN MANUFACTURES IN LAWRENCE; 1913 - 1918







WATER RESOURCES DIVISION  
U.S. DEPARTMENT OF THE INTERIOR  
WASHINGTON, D.C. 20240

TABLE VI

THE VALUE OF PRODUCT IN MANUFACTURES IN LAWRENCE; 1913-1918

---

| YEAR | VALUE OF PRODUCT |
|------|------------------|
| 1913 | \$ 70,205,214    |
| 1914 | 73,177,803       |
| 1915 | 79,405,521       |
| 1916 | 120,180,973      |
| 1917 | 174,495,689      |
| 1918 | 251,326,770      |

---

## SOURCE:

ANNUAL REPORTS; 1913-1918

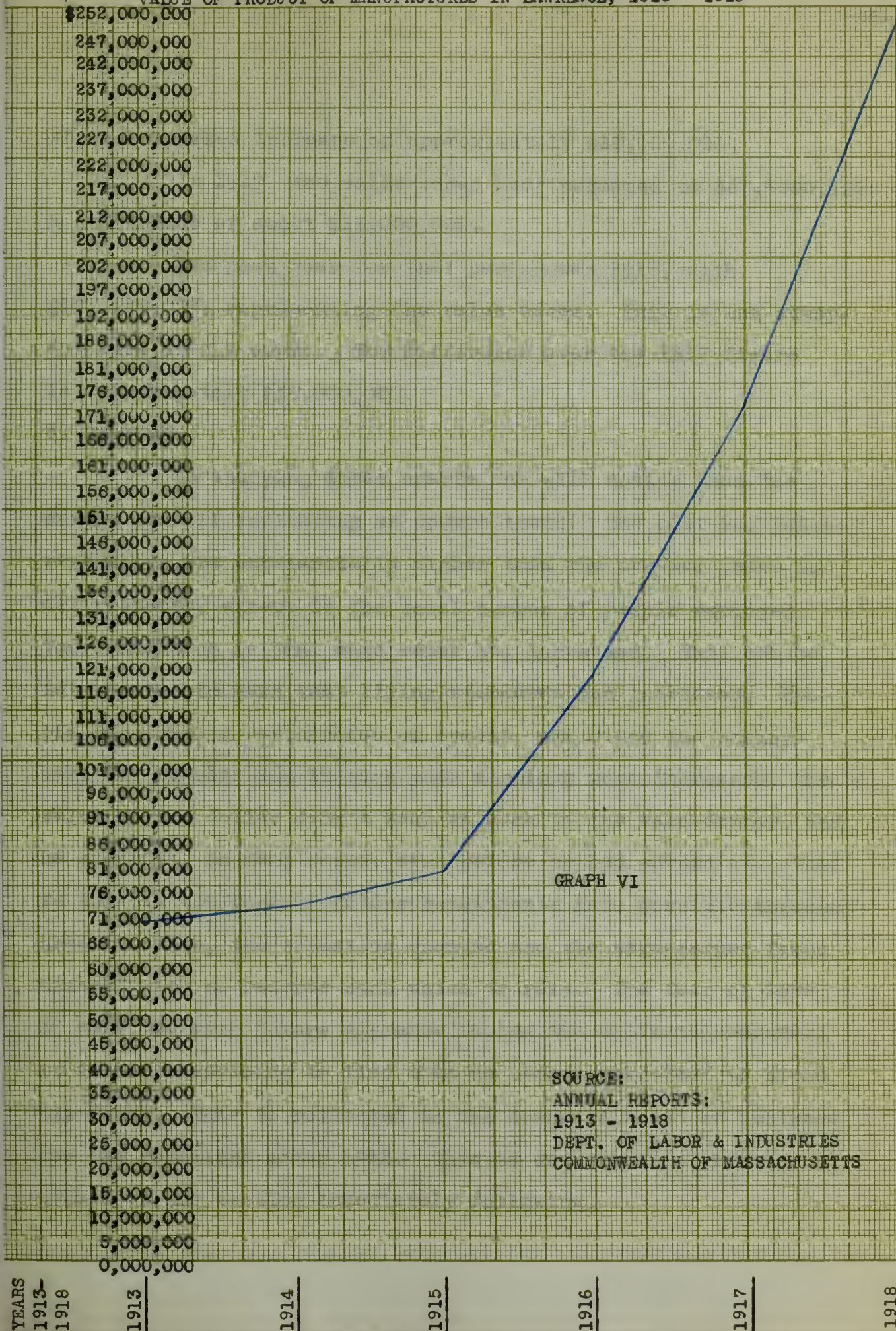
DEPT. OF LABOR &amp; INDUSTRIES

COMMONWEALTH OF MASSACHUSETTS

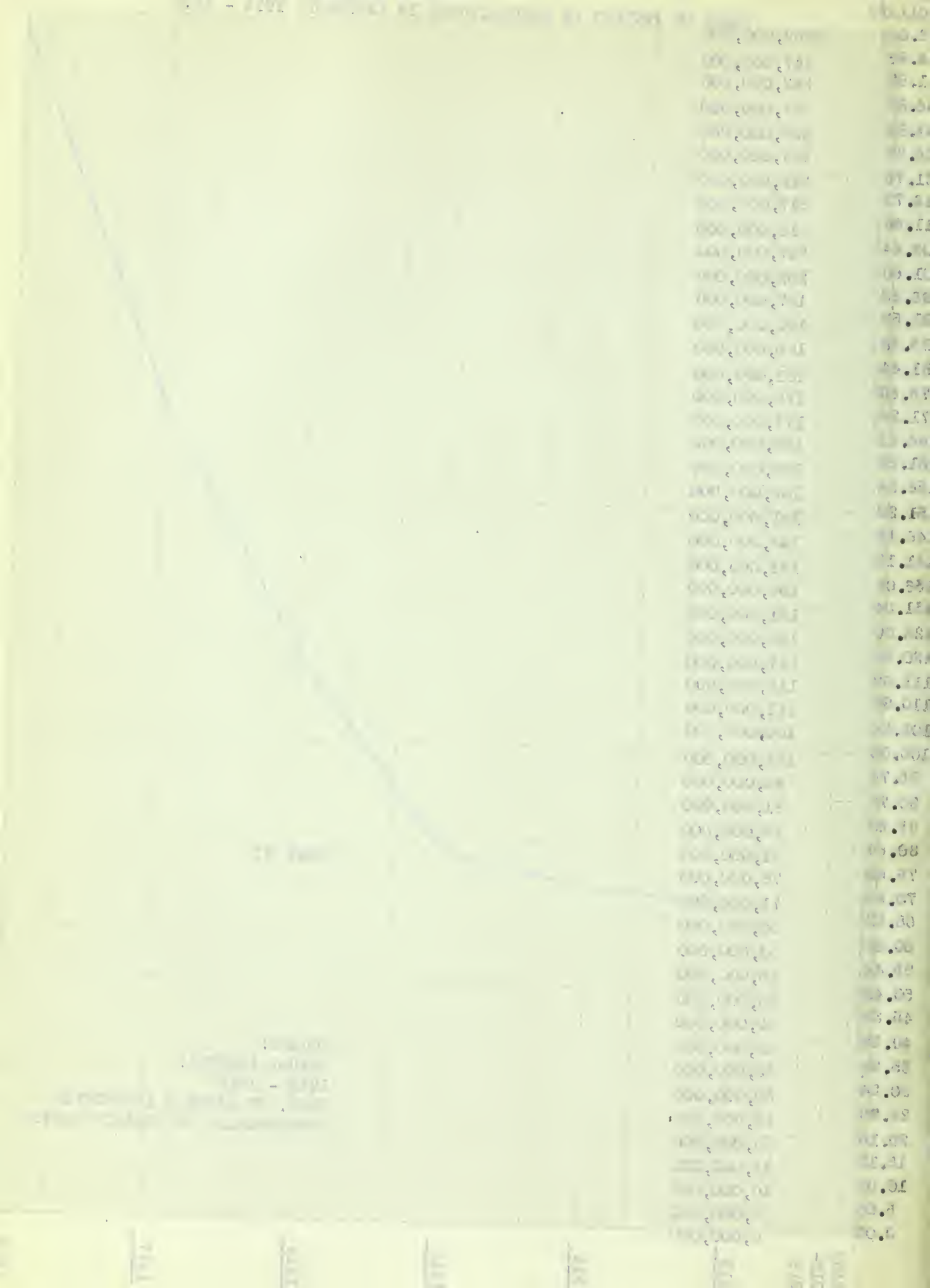




VALUE OF PRODUCT OF MANUFACTURES IN LAWRENCE; 1913 - 1918









showed a marked increase of approximately \$17,000,000.

In 1917, the value added had increased to \$67,5000,122, a difference of about \$18,000,000.

The peak year for that period was 1918, with \$101,145,027, representing the value added. This is the steepest part of the curve. The difference over the 1917 figure is approximately \$35,000,000.

#### 8. Summary.

In studying these charts one will notice that the curves are all indicating an upward trend. The post-war years, generally, are substantially higher than the pre-war years in all respects, except in the total number of people employed. The indication is that wage rates had increased. This can be interpreted to mean that living standards had increased. People were buying merchandise on credit, and since the employment was regular and in each year earnings were increased, the value of the dollar didn't mean so much to the wage-earner, and he spent it, in many cases, even before he had earned it. This is done in the form of future commitments made possible through credit. Then, the situation changed and the wage-earner found himself with no reserve upon which to rely. The fear of loss of work, and with future payments facing the ultimate consumer, it is not surprising to find that he became reluctant to spend his money. This is reflected in the downward trend of business for the retailers after 1918. This is described in greater detail in the section immediately following.



TABLE VII

THE VALUE ADDED IN MANUFACTURES IN LAWRENCE: 1913-1918

---

| YEAR | VALUE ADDED   |
|------|---------------|
| 1913 | \$ 27,855,021 |
| 1914 | 28,025,573    |
| 1915 | 32,706,737    |
| 1916 | 49,229,436    |
| 1917 | 67,500,122    |
| 1918 | 101,145,027   |

---

## SOURCE:

ANNUAL REPORTS: 1913-1918

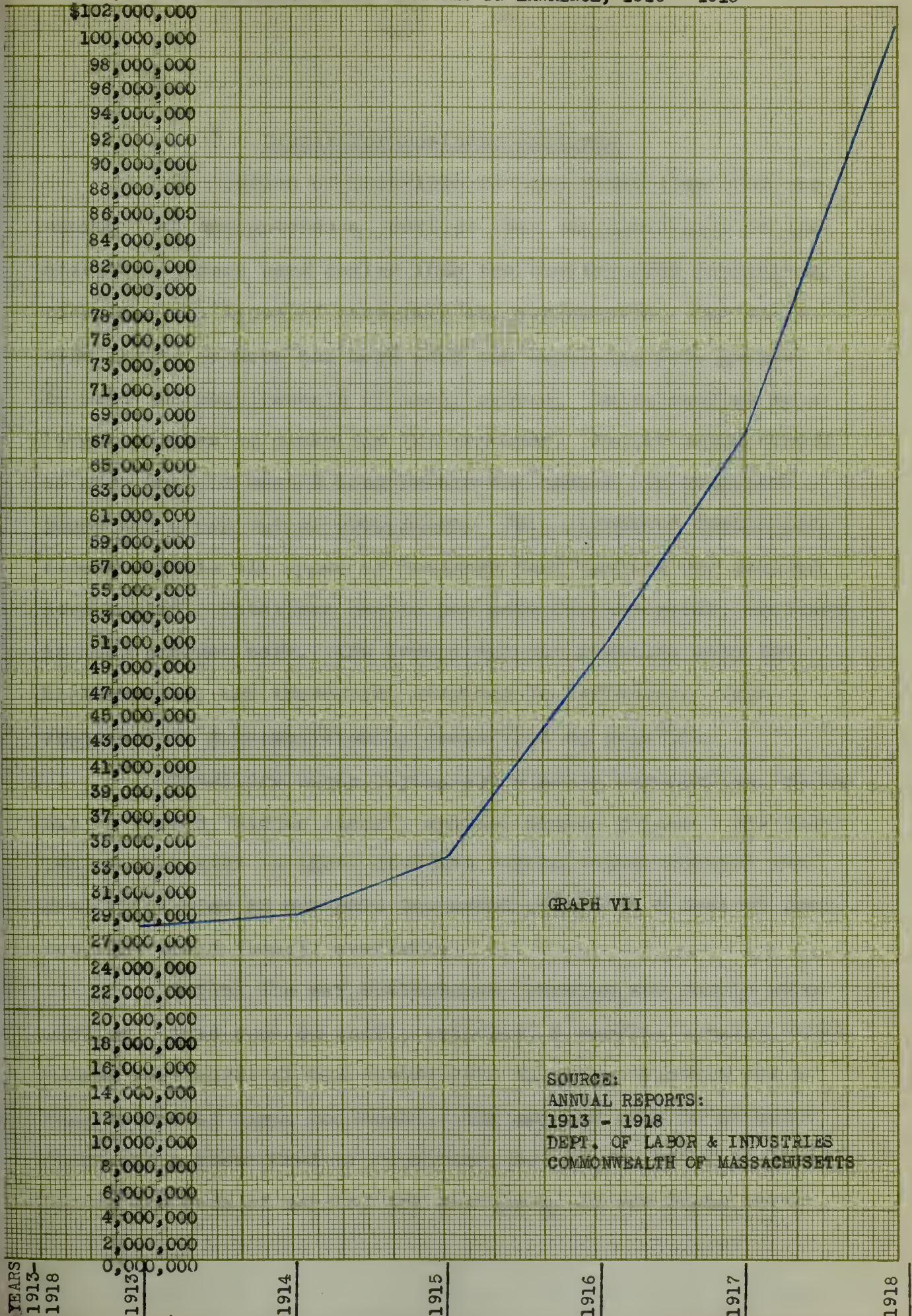
DEPT. OF LABOR &amp; INDUSTRIES

COMMONWEALTH OF MASSACHUSETTS





THE VALUE ADDED IN MANUFACTURES IN LAWRENCE; 1913 - 1918







### C. Causes For Business Failures

The period of 1914-1918 was the first time that our economy had encountered a conflict that was world-wide in its effects. Orders were coming into the country from warring nations for all types of materials and merchandise. Our mills were taking on more and more work and employing more people to meet the requirements of their orders. This resulted in a larger purchasing power for the consumer. People began buying so much that it wasn't long before the demand for consumer goods had grown out of proportion. This increased demand made itself felt in all types of business that handled the desired merchandise. Retailers had to pay more for the goods, and they in turn charged more. The demand did not diminish with the higher price, and therefore, resulted in inflation. This statement is substantiated by Graph VIII on page 50.

Retailers began buying and storing merchandise, which may be termed "hidden stock", against higher prices. The problem of shortages in those days was not an actual one--it was artificial--for if one paid the asked price for a desired product, one would find it available.

During the war business was booming and people were working. This went on until, suddenly, a warring Germany, that looked very powerful and seemed able to go on fighting for a long period of time, collapsed. The war had come to an end ! There was a great deal of rejoicing, but it was not long-lived, for in the case of many of the retailers, it was found that

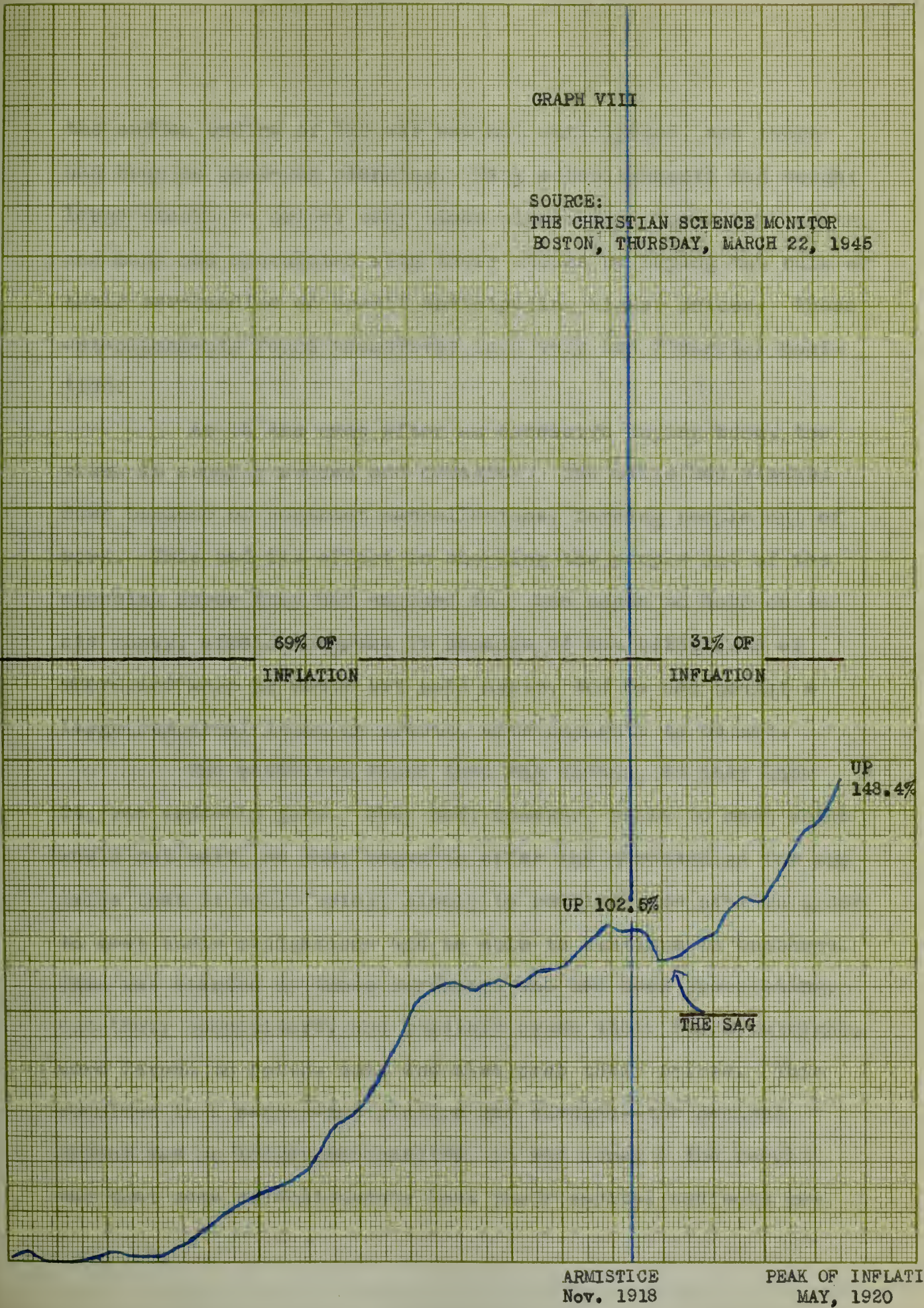




RISE IN WHOLESALE PRICES--WORLD WAR I

GRAPH VIII

SOURCE:  
THE CHRISTIAN SCIENCE MONITOR  
BOSTON, THURSDAY, MARCH 22, 1945



ARMISTICE  
Nov. 1918

PEAK OF INFLATION  
MAY, 1920





the sudden ending of the war was not anticipated, and there had been no post-war planning. Many establishments had bought large stocks at prices many times higher than the actual worth, and many had speculated with their stocks by buying the bulk of their merchandise on credit anticipating higher prices. These establishments found themselves in a very bad financial position.

As is the case after an excessive buying boom, the slump is usually sudden and damaging. The mills had slacked down because of contract cancellations, forcing people out of work. This had its effect in shocking the people out of the spending spree they had engaged in. One began to hold on to his money, afraid to spend it because of not being sure of where and when he would get paid again, and he had bought a large number of items on credit, with payments to be met.

The retailers found that the demand, as they knew it, was suddenly gone. They had, however, bills to meet which would not wait, so they began to offer the merchandise for any price that it would bring, simply to realize some cash in order to meet their obligations and be able to continue in business. This was started by those merchants who had been speculating, but their competitors, who possibly owned their stock outright, were forced to follow suit and also drop their prices. This resulted in a panic--the picture had changed--the desired object was no longer merchandise, it was money ! The result was that some establishments lost their capital and some re-



tailers were forced out of business.

This study has been made in order to help one to understand the reasons for these business failures. When a cause is understood and recognized, one can change or anticipate it to get a different result.

1. Possible Means of Surmounting These Failures.

The following situation suggest one method of surmounting one of the causes that resulted in some establishments failing.

There were business enterprises that, because of their small size, maintained very small stocks. Their buying was done in a hand-to-mouth fashion. They were not able to realize the high profits to the degree that larger stores had. On the other hand, they were in a more favorable position than their bigger competitors, for they were not burdened with large inventories that had to be disposed of at loss prices. The suggestion here is that if smaller stocks of merchandise were carried, the position would have been more favorable at the time that the demand curve went down. This would have been the safe method, but it would not have permitted a store to get its share of the volume available during the boom time.

The amount of compensation for the use of capital in investment or speculative ventures varies directly as the amount of risk involved. What would probably have been the better step for the retailer to have taken, was to prepare a post-war plan. This plan would have permitted him to carry stocks





large enough to permit his store to get its share of the available purchasing power, yet, he would have been able to scale down his buying so that when the end of the buying spree came, he would not have been caught with large inventories. His buying should have been done on a cash basis, permitting him to take advantage of the cash discount.

There were no provisions made in that period that would help control inflation. Prices had sky-rocketed, and forced saving was a speculative topic. In times of emergency, such as a war, the government should have stepped in and applied some of the controls that are being used today, for by holding prices down, the sudden stoppage of buying would not have been as serious as it was.

The business situation during World War I is very similar to the black-market operations of today. The black-market today, using the same procedure of selling merchandise at prices higher than those set, is considered illegal, because it violates the controls set up by the Office of Price Administration. These protective measures have been taken to help curb inflation, thereby avoiding the devastating results as were experienced in the post-war period of World War I.

#### D. Taxes

The average community gets the money to cover its operating expenses from different types of taxes. The most important form of taxation for a city is its general proper-



ty tax. The general property tax supplies the city, with a population figure of 100,000 or more, with 64 $\frac{1}{2}$ % of its revenue. (1)  
A piece of property must be assessed, however, before it can be taxed. This, if done honestly, is another step in determining the value of a location for the retailer.

The assessors follow the same principle as the retailer in evaluating the front of a lot at a much higher figure than the rear part. Then, when the building is assessed, the retailer may anticipate this, knowing that cost of construction figures are usually used. In many cases, the retailer can, by the use of modern, hard-lasting, and eye-appealing materials, cut construction costs down. If the retailer is not the owner of his building and land, and if the landlord pays the tax, he will find that the taxes on his site are included in his rent figure. Therefore, the higher that a location is taxed, the higher the rent will be.

The following are tax rates in Lawrence for the years  
(2)  
1913-1918:

| <u>YEAR</u> | <u>DOLLARS PER THOUSAND</u> |
|-------------|-----------------------------|
| 1913        | \$18.00                     |
| 1914        | 18.00                       |
| 1915        | 18.80                       |
| 1916        | 18.80                       |
| 1917        | 18.80                       |
| 1918        | 22.80                       |

(1) Source: U.S. Census Bureau's Financial Statistics of Cities in 1933.

(2) Source: Tax Assessor's Office, Lawrence City Hall.





The higher tax figure of 1918 indicates that rents and values of property had increased in that year. This figure is significant because it portrays the inflationary trend that was taking place in that war period.



### SECTION III.

#### LAWRENCE DURING 1919 - 1938

In 1919, a war had come to a victorious end and the people were getting over the hysteria of their riotous celebrating. They had to settle down now, and the process of adjusting themselves to a peace-time economy was taking place. The job of adjustment was not an easy one, and it entailed many upsets.

#### A. Population Trends

Immediately after the war the population in Lawrence had declined from the estimated figure of 100,000 in 1916 to 94,270 as reported in the 1920 census reports. Then, according to the 1925 state census, there was a further decline to 93,527. The 1930 U.S. Census figure for Lawrence's population was 85,068. These figures all show marked declines in the city's population. The buying power which was available to Lawrence, however, was not lost.

At the close of World War I many people who had been spending money lavishly found themselves in a precarious financial position. Work had slackened down, yet the costs of living were still high; in fact, they were increasing. This statement is substantiated in Graphs IX and X on Pages 57 and 58 and also in Graph VIII, Chapter II, Page 50.

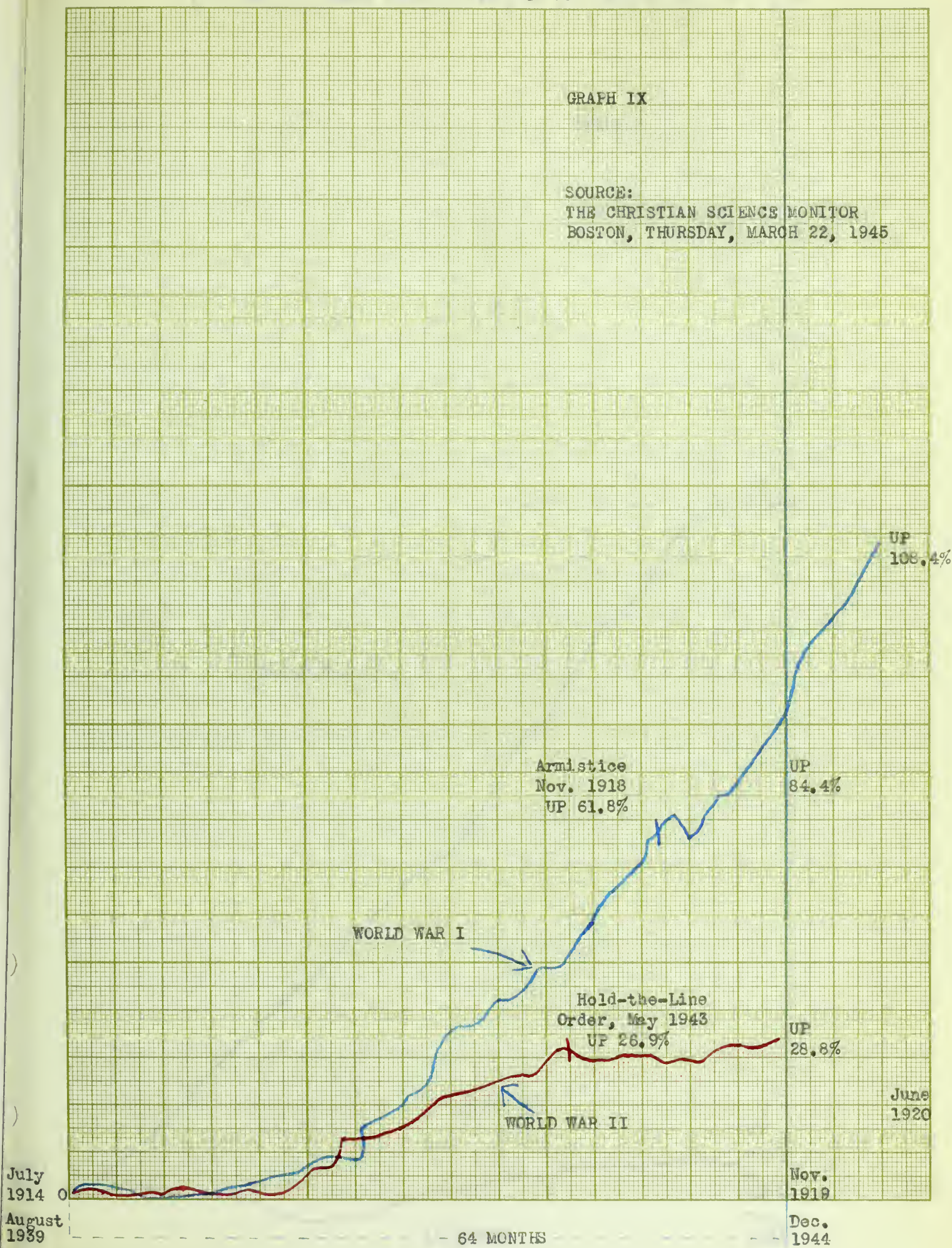
There was a move on the part of these people to retrench. They moved out of high-rent areas in the city to





GRAPH IX

SOURCE:  
THE CHRISTIAN SCIENCE MONITOR  
BOSTON, THURSDAY, MARCH 22, 1945





1880

THE  
 THE  
 THE

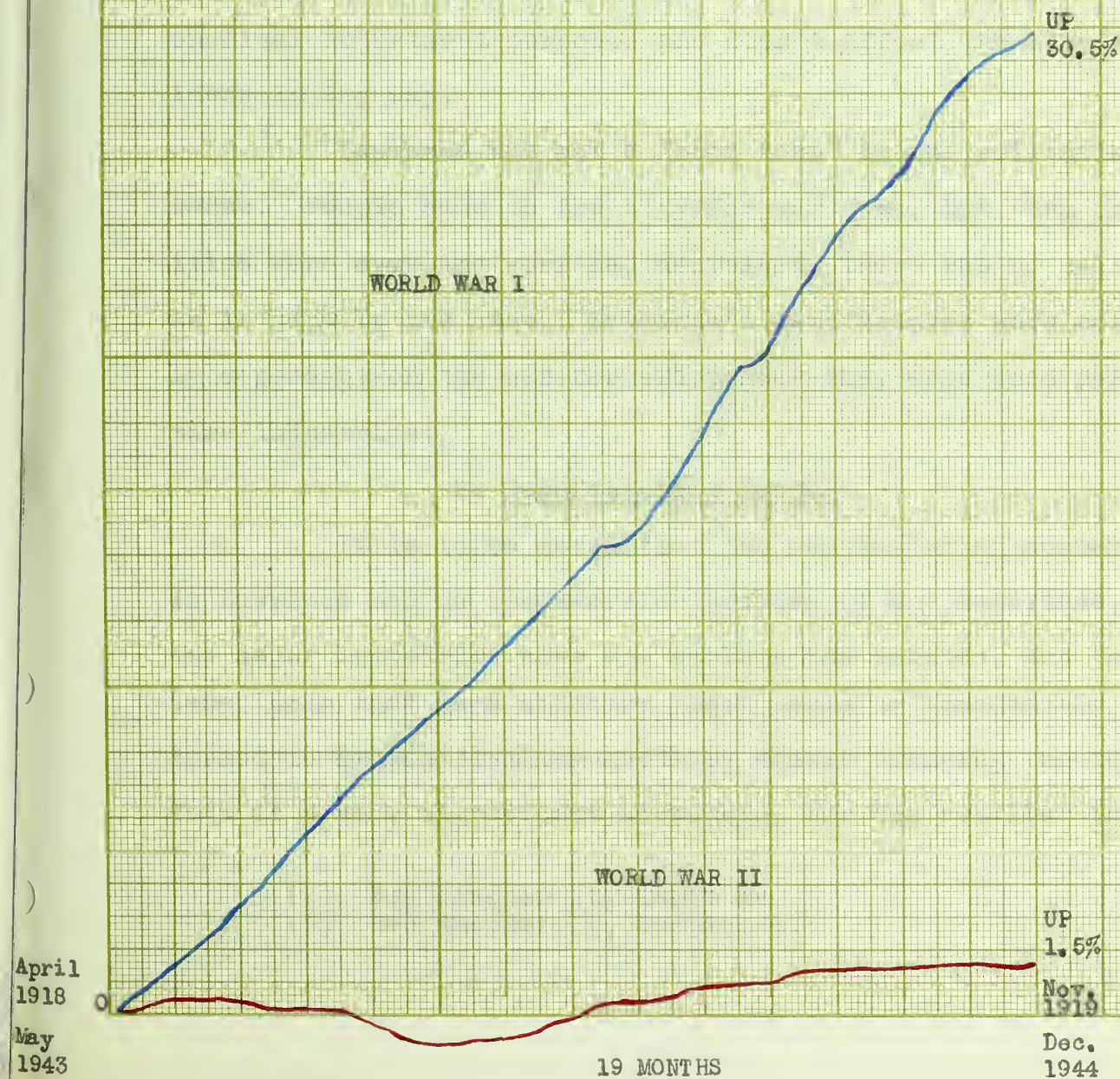




LIVING-COST TRENDS FROM THE 45TH TO THE 64TH MONTHS OF 2 WARS

GRAPH X

SOURCE:  
THE CHRISTIAN SCIENCE MONITOR  
BOSTON, THURSDAY, MARCH 22, 1945









lower-rent dwellings in the suburbs. (1) It is true that these people had moved out of the city, but they had moved to the city's suburbs. The population of the area surrounding Lawrence still depends on this community to supply its needs and desires for consumer goods. Therefore, even though they were lost to the city in the census reports, they were still part of the city's trading area. (2)

#### 1. Population Shifts.

The population shifts that took place were for economical adjustment purposes and didn't affect the city's business in any way.

Lawrence was not a "boom town" in the colloquial sense. People came to the city for war jobs, but when hostilities were over and work had decreased, there was no collapse as is usually the case. Lawrence's manufactures were not solely dependent on the war for existence--they were good peacetime industries.

#### B. Manufacturing Trends

It is to be noted that the manufacturing companies in Lawrence had no reconversion problem of any magnitude, for the major industries here are woolens and worsted, and the same looms that made military cloth could be immediately turned to making civilian goods by simply changing the bobbins. This is a very significant advantage, for the retailer in

(1) See Chapter IV, Table XV

(2) See Chapter IV, Section A.



Lawrence was not handicapped by a long slump in business because of switching back from war to peace-time industries. As a contrast, an example is the automotive industry, which was using machinery that could produce only tanks, cannon, etc. In such cases there was need for a complete change in manufacturing equipment, a process requiring approximately six months to one year.

The manufacturing trends for the post-war years of World I (1919-1938) are very informative. One has heard people speak of the "good old days". The figures presented here will show these people that the so-called "good old days" were not as good as one might think. The manufactures' figures have been set up in Table and Graph form in order to show the trends more clearly.

# 1. Amount of Capital Invested.

Graph XI gives us the amount of capital invested for eleven years in this period. The questionnaires sent out in the years that are not represented did not contain a request for this information.

The peak year of the group was 1919. That year there was \$171,477,984 listed as invested capital. From 1919 the curve has a downward trend. In 1926, however, it rises but is still about \$10,000,000 short of the peak figure. The curve continues down again until it reaches the lowest point of \$72,557,783 in 1934. In 1936 it rallies, only to drop in 1938 to \$76,969,088.





THE CAPITAL INVESTED IN MANUFACTURES IN LAWRENCE: 1919-1938

TABLE VIII

| YEAR | CAPITAL INVESTED |
|------|------------------|
| 1919 | \$171,477,984    |
| 1920 | 164,749,450      |
| 1921 | (1)              |
| 1922 | 158,640,144      |
| 1923 | (1)              |
| 1924 | 149,185,321      |
| 1925 | (1)              |
| 1926 | 161,090,802      |
| 1927 | (1)              |
| 1928 | 144,484,215      |
| 1929 | (1)              |
| 1930 | 119,857,005      |
| 1931 | (1)              |
| 1932 | 75,173,585       |
| 1933 | (1)              |
| 1934 | 72,557,783       |
| 1935 | (1)              |
| 1936 | 83,831,582       |
| 1937 | (1)              |
| 1938 | 76,969,088       |

## SOURCE:

ANNUAL REPORTS; 1919-1938

DEPT. OF LABOR &amp; INDUSTRIES

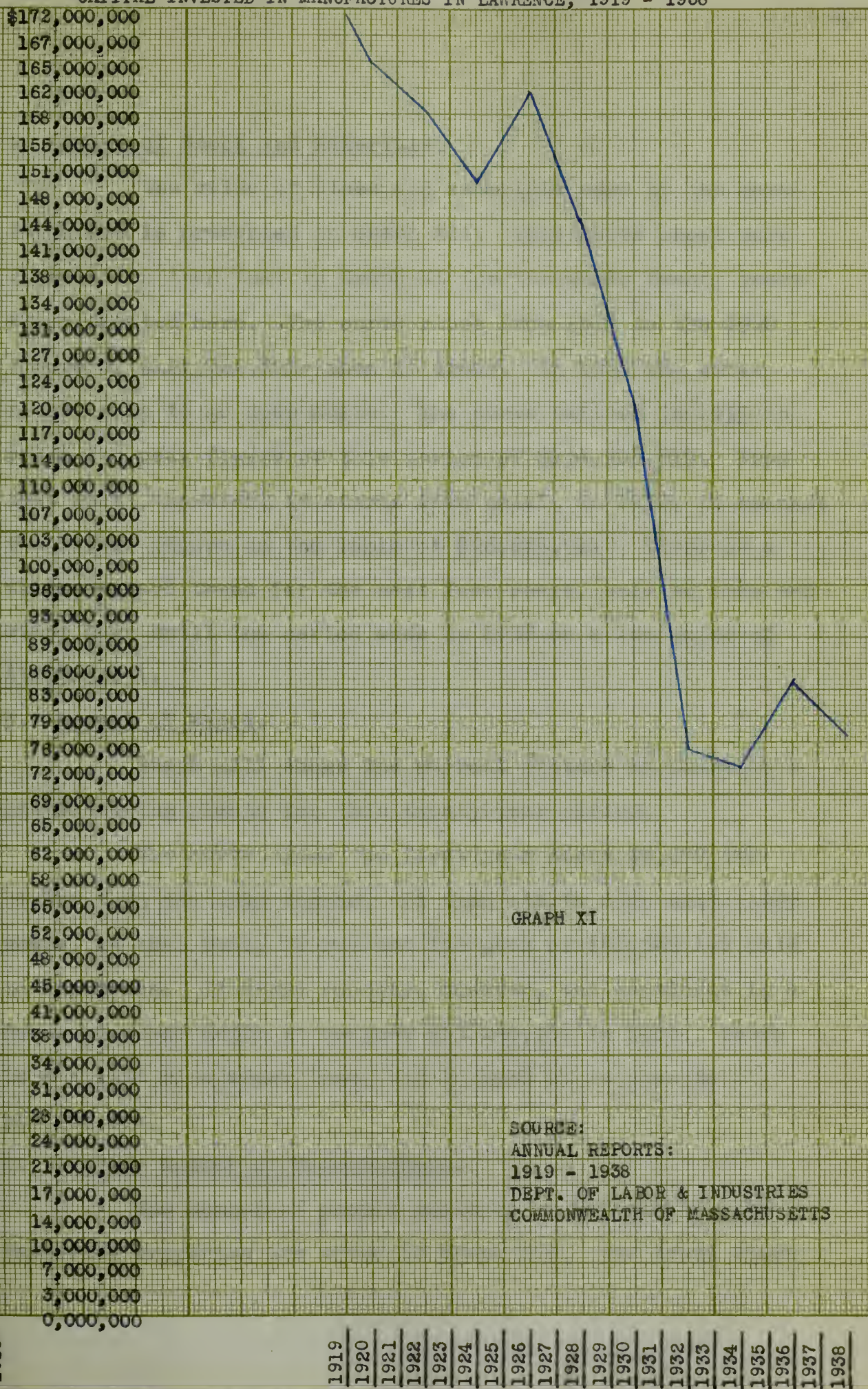
COMMONWEALTH OF MASSACHUSETTS

(1) Not called for on the questionnaire.





## CAPITAL INVESTED IN MANUFACTURES IN LAWRENCE; 1919 - 1938









## 2. Value of Stock and Materials.

The value of stock and materials used by the manufacturers is presented in Graph XII. This curve shows more fluctuation than that in Graph XI for the whole twenty years are presented here. The curve rises from 1919 to the 1920 figure of \$121,061,825--then it drops. In 1923 the curve rises, only to go down again. The curve rallies in 1925 to reach the peak figure of this period of \$124,208,819. From that point, however, it starts down until, in 1932, it reaches the lowest figure on the Table of \$26,815,511. There is a slight upward trend for the next four years, only to stop and start down until the period ends in 1938 on a low point of \$37,502,651.

## 3. Amount of Wages.

Graph XIII shows the payroll picture in Lawrence's manufacturing plants for this twenty-year period.

The curve rises the first year about \$8,000,000 higher than the 1919 figure. It then starts down until 1923, where, in that year, it reached its peak of \$41,566,197 paid to employees. It drops rapidly, however, and continues in a downward trend until it reaches \$13,148,958 in 1932. There is a slight rise after that, but in 1938 it is down to \$18,288,804.

## 4. Average Number of Wage-Earners.

The number of people employed in Lawrence's manufacturing companies are shown in Graph XIV. The trend shown



THE VALUE OF STOCK & MATERIALS USED IN MANUFACTURES IN LAWRENCE;1919-1938

TABLE IX

| YEAR | VALUE OF STOCK & MATERIALS USED |
|------|---------------------------------|
| 1919 | \$110,958,610                   |
| 1920 | 121,061,825                     |
| 1921 | 75,455,293                      |
| 1922 | 59,583,081                      |
| 1923 | 102,085,941                     |
| 1924 | 78,941,438                      |
| 1925 | 124,208,819                     |
| 1926 | 113,930,315                     |
| 1927 | 90,710,831                      |
| 1928 | 76,313,393                      |
| 1929 | 72,190,972                      |
| 1930 | 59,664,453                      |
| 1931 | 55,091,417                      |
| 1932 | 26,815,511                      |
| 1933 | 43,477,017                      |
| 1934 | 41,650,598                      |
| 1935 | 59,674,262                      |
| 1936 | 78,957,091                      |
| 1937 | 71,659,465                      |
| 1938 | 37,502,651                      |

SOURCE:

ANNUAL REPORTS: 1919-1938

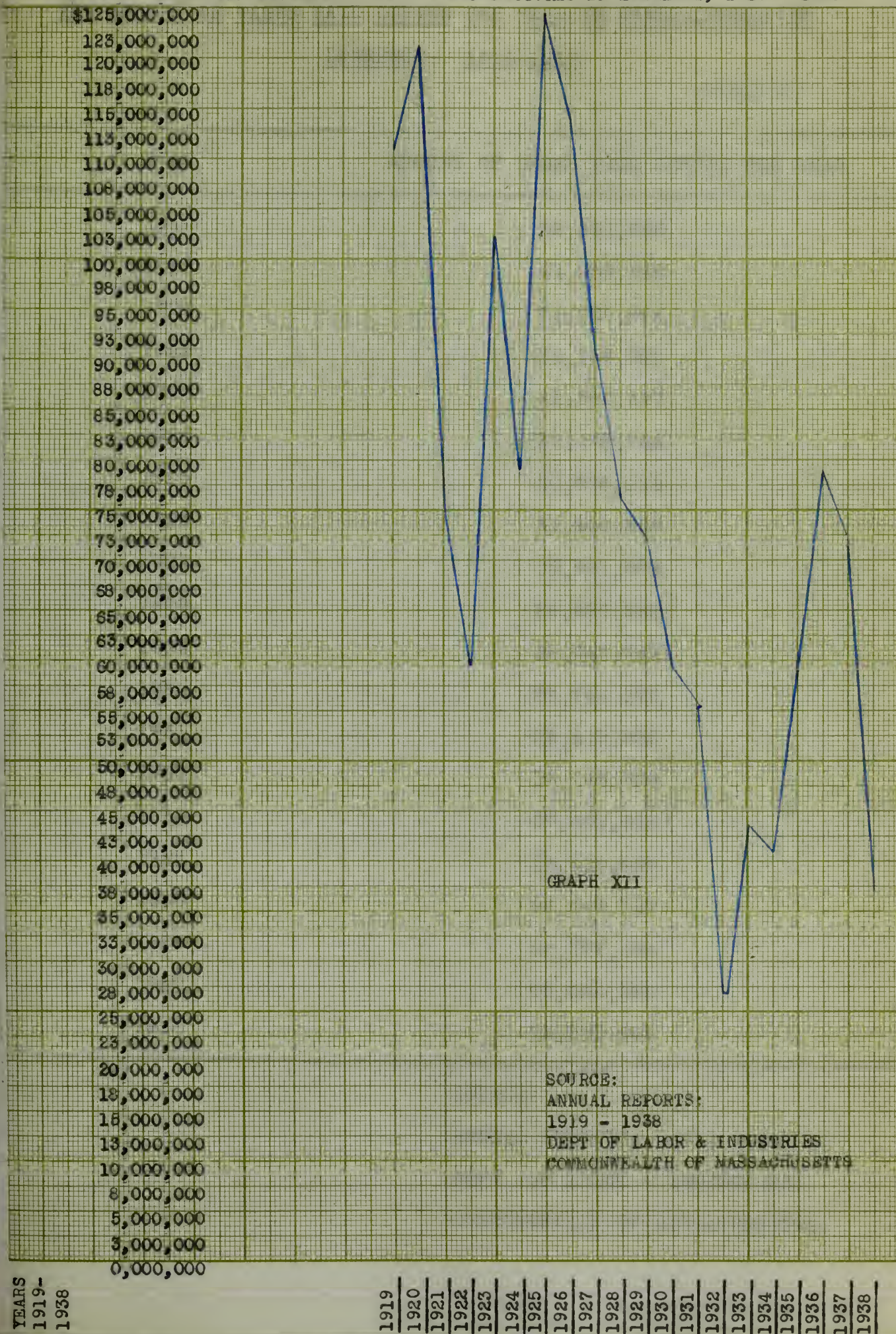
DEPT. OF LABOR &amp; INDUSTRIES

COMMONWEALTH OF MASSACHUSETTS

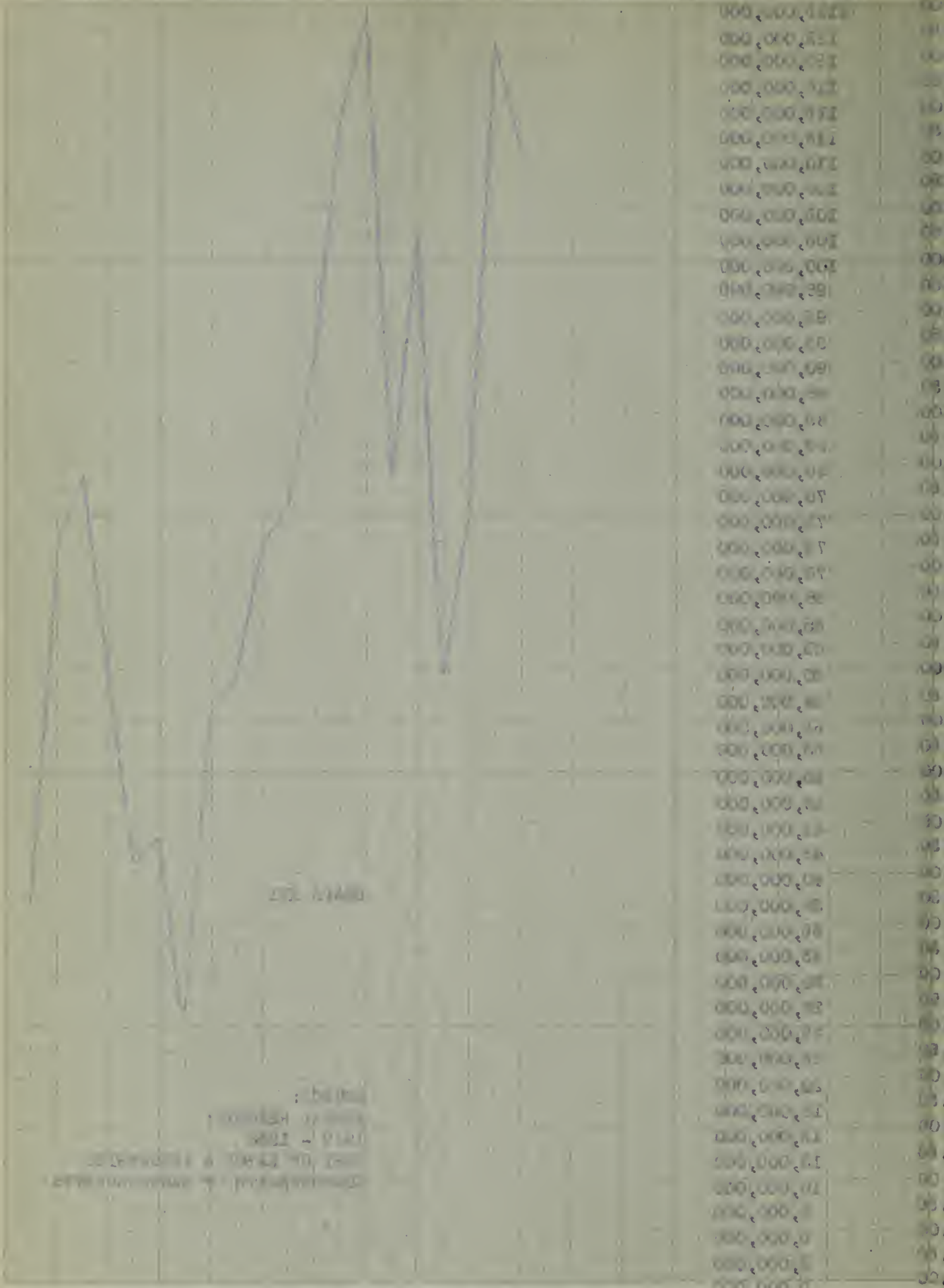




VALUE OF STOCK AND MATERIALS USED IN MANUFACTURES IN LAWRENCE; 1919 - 1938







WATER - RISE : JOURNAL OF THE NATIONAL ASSOCIATION OF WATER ENGINEERS

THE AMOUNT OF WAGES PAID DURING THE YEAR IN MANUFACTURES INLAWRENCE: 1919-1938

TABLE X

| YEAR | AMOUNT OF WAGES PAID DURING THE YEAR |
|------|--------------------------------------|
| 1919 | 32,361,598                           |
| 1920 | 41,099,549                           |
| 1921 | 36,904,884                           |
| 1922 | 30,156,923                           |
| 1923 | 41,566,197                           |
| 1924 | 30,406,784                           |
| 1925 | 30,976,235                           |
| 1926 | 31,400,308                           |
| 1927 | 28,961,874                           |
| 1928 | 24,599,585                           |
| 1929 | 26,941,743                           |
| 1930 | 23,144,176                           |
| 1931 | 24,419,685                           |
| 1932 | 13,148,958                           |
| 1933 | 17,602,918                           |
| 1934 | 16,910,938                           |
| 1935 | 24,846,142                           |
| 1936 | 25,174,484                           |
| 1937 | 26,026,995                           |
| 1938 | 18,288,804                           |

## SOURCE:

ANNUAL REPORTS; 1919-1938

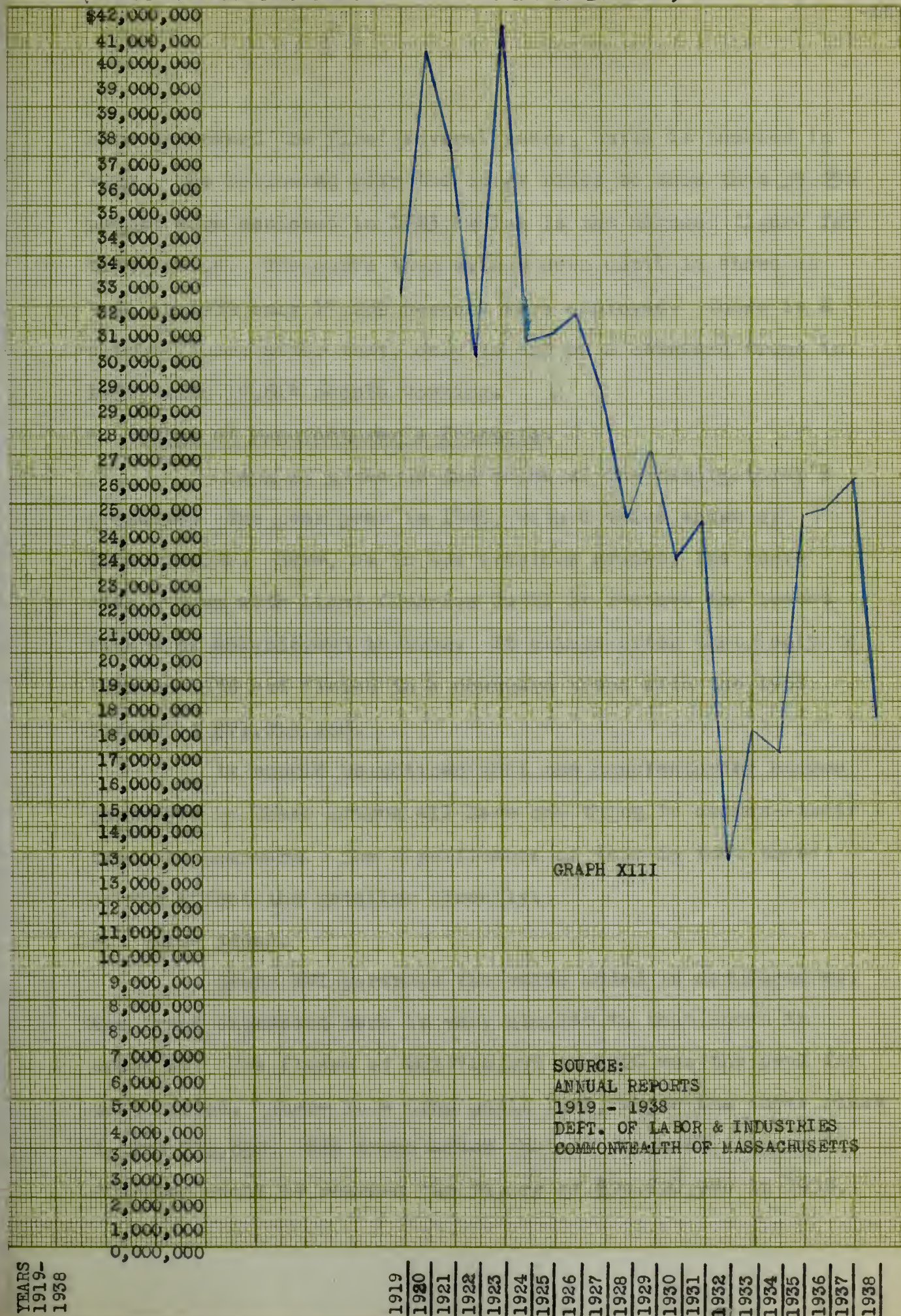
DEPT. OF LABOR &amp; INDUSTRIES

COMMONWEALTH OF MASSACHUSETTS





AMOUNT OF WAGES PAID YEARLY IN MANUFACTURES IN LAWRENCE; 1919 - 1938







here is upward the first several years, until it tumbles in 1922. The following year the curve rises to show that 35,292 people were employed in 1923, which is the highest figure for that period. The curve then swings down until it shows us that in 1932 only 17,239 persons were employed. There is a slight flurry after that, only to end on a downward trend in 1938, with 19,614 people working.

#### 5. Value of Manufacturer's Products.

Graph XV gives us the value of the manufacturer's products. The peak year is 1920, with a value shown of \$204,778,020. Here, as in the previous graphs, the curve starts down with light flurries until it reaches the lowest figure of \$51,636,495 in 1932. It climbs after that, only to turn in 1936 and finish in a downward trend with the 1938 figure of \$71,013,268.

It should be noticed that the manufacturing curves portrayed by these graphs all have one thing in common--their trend is downward. The significance of this is that these curves affect the retailer directly.

#### 6. Value Added.

Graph XVI portrays the value added in manufactures. The trend expressed here is very similar to that shown in Graph XV. The figure of \$83,716,195 in 1920 was the peak for that period. There is a drop until 1923, where the curve rises to \$79,739,650. The trend after that is downward with some flurries until it reaches the figure of \$24,820,984 in 1932,





THE AVERAGE NUMBER OF WAGE-EARNERS IN MANUFACTURES IN LAWRENCE;

1919-1938

TABLE XI

| YEAR | AVERAGE NUMBER OF WAGE-EARNERS |
|------|--------------------------------|
| 1919 | 30,319                         |
| 1920 | 30,874                         |
| 1921 | 33,387                         |
| 1922 | 27,200                         |
| 1923 | 35,292                         |
| 1924 | 26,163                         |
| 1925 | 26,275                         |
| 1926 | 26,777                         |
| 1927 | 24,898                         |
| 1928 | 21,047                         |
| 1929 | 23,110                         |
| 1930 | 20,582                         |
| 1931 | 23,500                         |
| 1932 | 17,239                         |
| 1933 | 21,469                         |
| 1934 | 19,880                         |
| 1935 | 27,199                         |
| 1936 | 26,401                         |
| 1937 | 25,737                         |
| 1938 | 19,614                         |

SOURCE:

ANNUAL REPORTS; 1919-1938

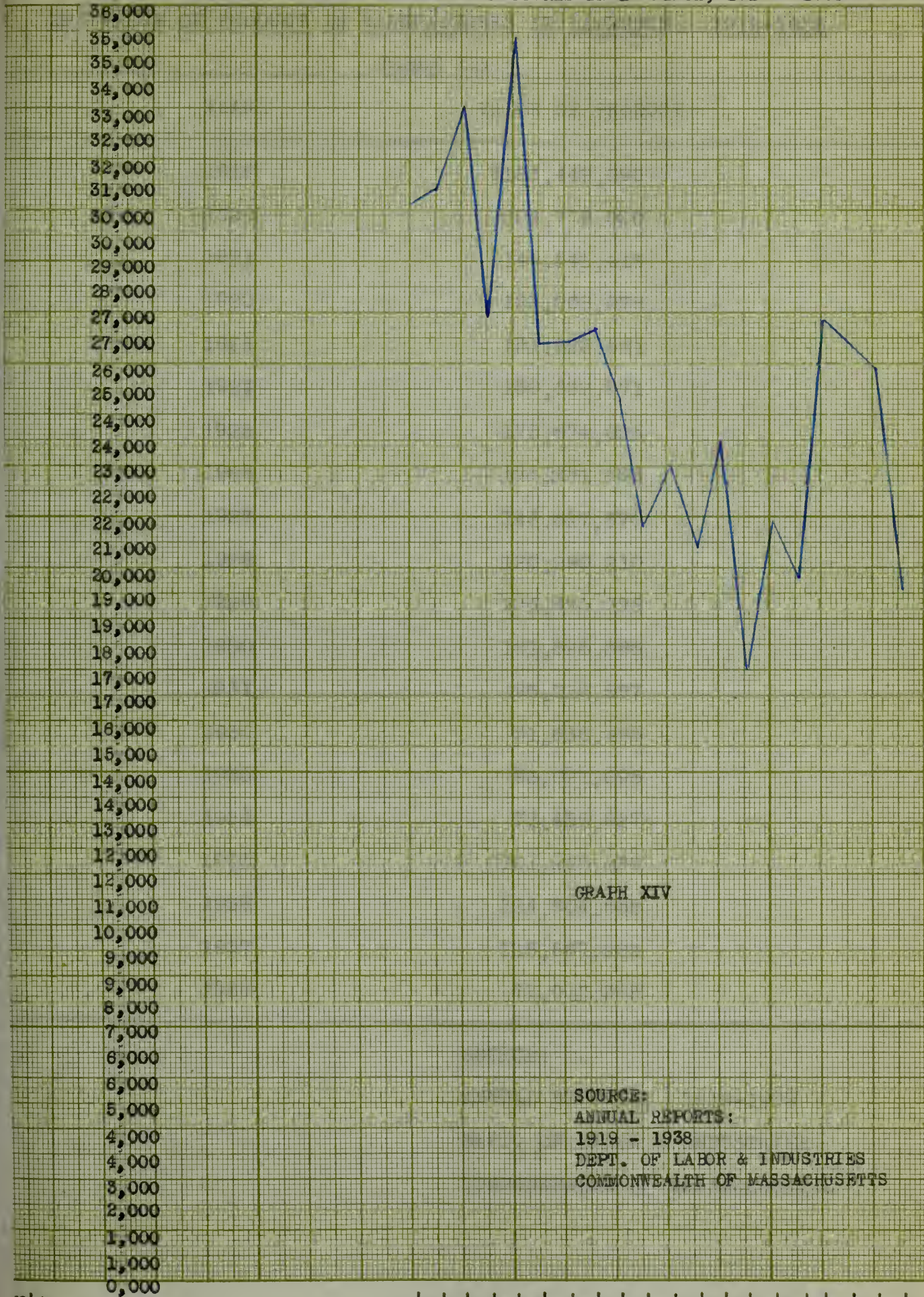
DEPT. OF LABOR & INDUSTRIES

COMMONWEALTH OF MASSACHUSETTS





AVERAGE NUMBER OF WAGE-EARNERS IN MANUFACTURES IN LAWRENCE; 1919 - 1938



GRAPH XIV

SOURCE:  
ANNUAL REPORTS:  
1919 - 1938  
DEPT. OF LABOR & INDUSTRIES  
COMMONWEALTH OF MASSACHUSETTS







THE VALUE OF PRODUCT IN MANUFACTURES IN LAWRENCE; 1919-1938

TABLE XII

| YEAR | VALUE OF PRODUCT |
|------|------------------|
| 1919 | \$183,449,096    |
| 1920 | 204,778,020      |
| 1921 | 149,543,413      |
| 1922 | 123,208,078      |
| 1923 | 181,825,591      |
| 1924 | 130,632,571      |
| 1925 | 175,674,023      |
| 1926 | 175,251,666      |
| 1927 | 146,517,370      |
| 1928 | 120,296,210      |
| 1929 | 126,375,728      |
| 1930 | 101,525,386      |
| 1931 | 96,215,897       |
| 1932 | 51,636,495       |
| 1933 | 83,021,695       |
| 1934 | 72,438,927       |
| 1935 | 101,248,839      |
| 1936 | 124,904,658      |
| 1937 | 115,567,223      |
| 1938 | 71,013,268       |

## SOURCE:

ANNUAL REPORTS: 1919-1938

DEPT. OF LABOR &amp; INDUSTRIES

COMMONWEALTH OF MASSACHUSETTS





## VALUE OF PRODUCT OF MANUFACTURES IN LAWRENCE; 1919 - 1938

\$205,000,000  
 201,000,000  
 197,000,000  
 193,000,000  
 189,000,000  
 185,000,000  
 180,000,000  
 176,000,000  
 172,000,000  
 168,000,000  
 164,000,000  
 160,000,000  
 156,000,000  
 152,000,000  
 148,000,000  
 144,000,000  
 139,000,000  
 135,000,000  
 131,000,000  
 127,000,000  
 123,000,000  
 119,000,000  
 115,000,000  
 111,000,000  
 107,000,000  
 103,000,000  
 98,000,000  
 94,000,000  
 90,000,000  
 86,000,000  
 82,000,000  
 78,000,000  
 74,000,000  
 70,000,000  
 66,000,000  
 62,000,000  
 57,000,000  
 53,000,000  
 49,000,000  
 45,000,000  
 41,000,000  
 37,000,000  
 33,000,000  
 29,000,000  
 25,000,000  
 21,000,000  
 16,000,000  
 12,000,000  
 8,000,000  
 4,000,000  
 0,000,000

GRAPH IV

SOURCE:  
 ANNUAL REPORTS:  
 1919 - 1938  
 DEPT. OF LABOR & INDUSTRIES  
 COMMONWEALTH OF MASSACHUSETTS

YEARS  
 1919-  
 1938

1919  
 1920  
 1921  
 1922  
 1923  
 1924  
 1925  
 1926  
 1927  
 1928  
 1929  
 1930  
 1931  
 1932  
 1933  
 1934  
 1935  
 1936  
 1937  
 1938







THE VALUE ADDED IN MANUFACTURES IN LAWRENCE: 1919-1938

TABLE XIII

---

| YEAR | VALUE ADDED  |
|------|--------------|
| 1919 | \$72,490,486 |
| 1920 | 83,716,195   |
| 1921 | 74,088,120   |
| 1922 | 63,624,997   |
| 1923 | 79,739,650   |
| 1924 | 51,691,133   |
| 1925 | 51,758,931   |
| 1926 | 61,321,351   |
| 1927 | 55,806,539   |
| 1928 | 43,982,817   |
| 1929 | 54,267,903   |
| 1930 | 41,860,933   |
| 1931 | 41,124,480   |
| 1932 | 24,820,984   |
| 1933 | 39,544,678   |
| 1934 | 30,788,329   |
| 1935 | 41,574,577   |
| 1936 | 45,947,567   |
| 1937 | 43,907,758   |
| 1938 | 33,510,617   |

---

## SOURCE:

ANNUAL REPORTS; 1919-1938

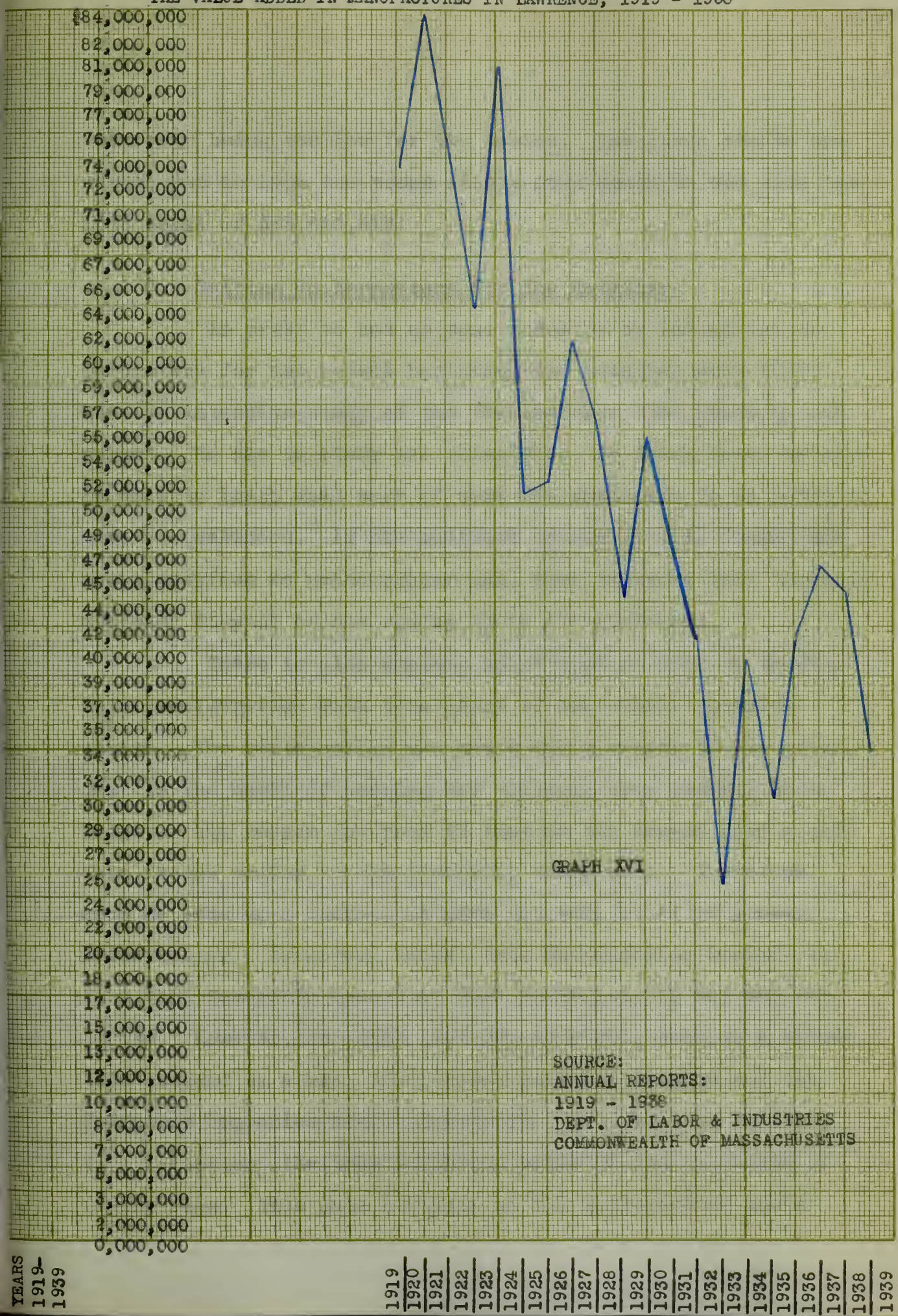
DEPT. OF LABOR &amp; INDUSTRIES

COMMONWEALTH OF MASSACHUSETTS





THE VALUE ADDED IN MANUFACTURES IN LAWRENCE; 1919 - 1938



GRAPH XVI

SOURCE:  
ANNUAL REPORTS:  
1919 - 1938  
DEPT. OF LABOR & INDUSTRIES  
COMMONWEALTH OF MASSACHUSETTS







that year being the low for the period. The curve starts upwards, but in 1936 the trend starts down again to end with the 1938 total of \$33,510,617.

### C. Setting Up Barometers For The Retailer

In order to set up some industry or industries as barometers for the retail business, the retailer must first make an intensive study of the trading area that makes up his market. He has to study his clientele. By doing this, he will be able to learn what sort of work his customers do in order to earn a livelihood. If his business is mostly with people who are classified as white-collar men, then he knows that there is a steady flow of income coming in to his customers.

There is also another point that he will be taking into consideration with this group of men--their spending habits. The white-collar man has a habit common to his group. That is the habit of working and sticking very closely to a budget. The reason for this is that he can depend upon a uniform income coming to him regularly every week. Therefore, once he sets up a budget, he need not vary it if it proves satisfactory. In normal years, this white-collar worker is in a very favorable position, both in ability to buy and security. However, in years that are abnormal, such as a situation induced by a war, where labor shortage results and the different companies start bidding for employees, he suffers. In a situation like this inflation steps in and the costs of living rise. This puts a strain on the white-collar man's



budget. True, wages do go up, but not for him. His income is steady and as a result of this security, he has to cope with the high living costs with a salary that has not increased.

Another point for the retailer to notice is that a man in this category tends to be a bit conservative in what he does and what he wears. A style is accepted by him after it has been in fashion for several seasons. The retailer catering to this group has to buy merchandise that will appeal to his particular customers. He should also be alert to the different forces that may tend to influence the value of the dollar, and if inflation sets in, to scale his buying down.

If, upon studying his clientele, the retailer learns that his customers are made up of persons who are wage-earners in a manufacturing unit, then his problem requires a different solution. The wage-earner does not have the security that the white-collar man enjoys. His wages vary, depending upon the number of days and hours he may work. He cannot work on a budget, for he is never sure that each week he is going to earn a uniform amount. He may have to do a large amount of his buying on credit, because some weeks the man may be unemployed with no money coming in. Then, when he does work, he tries to pay up his obligations. This group of customers do not fare as well in normal years, but in situations like the one expressed above, where there is a bidding for employees due to a labor shortage, he is in a more favorable position than the white-collar man. The cost of living may be high, but that





is not much of a problem for this man because his wages fluctuate directly as the costs of living.

The wage-earner has another characteristic common to his group--he spends money more freely. This is only natural, for there have been times that he had to deprive himself of some luxuries that he couldn't afford. Now that he has the means, he will go out and make up for his lean years.

Another point to notice is that this group likes clothes that aren't too conservative. This point should influence the retail store's buyer in his selection of merchandise. In this case, the retailer should study the forces or situations that will influence the output of the different manufacturing units.

In Lawrence, the retailer should watch the textile mills, for here is the city's largest source of income. The retailers in other cities must determine where their trading area gets its income, and act accordingly. Of course, there is one point that each individual retailer must decide for himself, and that is the time-lag. That is to know or estimate how long a period of time will elapse between the time the industry he is in will be affected and the time his business will feel the results of the change.

#### D. Taxes

A city realizes the major part of its revenue from taxes. As has been pointed out above, the main category in the different types of taxes is the property tax. The tax



rates for this twenty-year period in this city are as follows:  
(1)

| <u>YEAR</u> | <u>DOLLARS PER THOUSAND</u> |
|-------------|-----------------------------|
| 1919        | \$24.80                     |
| 1920        | 31.20                       |
| 1921        | 28.00                       |
| 1922        | 28.40                       |
| 1923        | 27.20                       |
| 1924        | 27.20                       |
| 1925        | 28.00                       |
| 1926        | 29.60                       |
| 1927        | 26.40                       |
| 1928        | 26.40                       |
| 1929        | 26.40                       |
| 1930        | 27.60                       |
| 1931        | 30.40                       |
| 1932        | 36.80                       |
| 1933        | 35.60                       |
| 1934        | 39.60                       |
| 1935        | 37.60                       |
| 1936        | 37.60                       |
| 1937        | 36.80                       |
| 1938        | 39.60                       |

Notice that the trend of taxes varies, generally, inversely as the manufacturing trends. The reason for this is that the city had to administer relief to some of its citizens in the times of depression, thereby requiring more revenue in order to cope with the added expenditures. When the plants are working and employing their quota of wage-earners, there is no need for this added expenditure.

The taxes, however, increase the retailers' operating expenses, whether he owns the building on his site or not, unless he has a lease covering that period of time with the rent at a set figure. The added taxes will certainly affect his market, for his customers will have to be paying the extra

(1) Op. cit., Lawrence City Hall.





tax, and that means there will be less money available to buy consumer goods.

#### E. Effect Of Speculative Boom and Bank Holidays

World War I had come to an end with victory on the side of the allies. We had won the war, but it had precipitated a serious condition--inflation! The trends for the first few years after the war in business were good, but they turned  
(1)  
and went down.

There was one phase of business, however, that went contrary to these trends--that was the stock market. As one commentator said, "The price of a seat in the New York Stock Exchange in 1919 ranges from \$60,000 and a new high record of \$110,000; it would be hard for Mr. Smith to believe that before the end of the decade seats on the Exchange would fetch  
(2)  
a half million". This cast a bright ray of light on the picture. Things weren't so bad. Credit was being used freely, and in spite of inflation's causing higher prices, merchandise could be bought on credit. In 1924, credit and the rising stock market were recognized and accepted by our people. Real  
(3)  
estate also started upwards--it was booming!

People were speculating recklessly. They took out

(1) See Chapter III, Graphs XI through XVI.

(2) Allen, Frederick Lewis, "Only Yesterday", 1931, pp. 8 and 9.

(3) Ibid, pp. 270 through 288.



first, second, third, fourth, and even fifth mortgages were common then! <sup>(1)</sup> The stock market excited the American public's fancy. People had visions of becoming fabulously wealthy over-night. In 1927, the Federal Reserve System lowered the rediscount rate from 4% to 3½%. This stimulated speculative buying. People began to buy stocks on margin, and with the "Coolidge" prosperity going full blast, many people did become wealthy in a short period of time.

The market seemed to know no limit--it was going up and up all the time. While the stock-market prices were going up, business was going down. Business had gotten so bad that the seriousness of the unemployment situation approximated the slump that took place in the period immediately following the close of the war. <sup>(2)</sup> There was a lot of money made and people were wealthy--on paper! It seemed that credit was the keynote, for practically everyone owed money to someone else and they in turn owed money. This condition prevailed until finally the economic structure got top-heavy and toppled.

The stock-market crash in 1929 seemed to effect everyone either directly or indirectly. Over-night, people who had considered themselves in the millionaire group were wiped out. Those may have been considered prosperous years, but they were of a false prosperity. Banks had been falling under the

(1) Information secured from persons actually engaged in the real estate market at that time.

(2) Op. cit., Allen, Frederick Lewis.





market crash. Companies that had over-expanded and over-produced, because of the ease in getting money in the stock-market, also went down. People who were working lost their jobs. The people had suffered such a blow from the stock-market crash that they were shocked into immobility for a period of time. Then they began to look around to see what could be done. The smart business-man who controlled or owned an enterprise that was dying a lingering death took his losses immediately and started to build again. Those who kept putting money into a lost cause, hoping for a turn for the better, lost out.

In 1933, President Roosevelt's administration decided to recognize and immediately accept its losses. To do this we had the bank holidays. For a while this caused a real panic. People had no recourse but to carry on their activities on a credit basis. When the banks opened again, the general public found that it had been forced to take some losses, but the result was for greater stabilization all over the country.

The people had gone to one extreme--extravagance--in this post-war period. It seemed to them that making money was an easy thing to do. All that was required was that a person borrow some money, if he had none to start with, then proceed to speculate on the stock market. If the market went up, as it was doing, it wouldn't be long before the buyer would be in a position to pay back the loan and retain a nice profit besides, or else he would be in a position to have the loan renewed at a lower rate. The people had acquired the idea



that by increasing one's consumption of goods and spending more and more freely, the result would be that the increased demand would force the different companies to speed up production, creating work and also increasing the dividend paid to the share-holders. The idea was alright, except for one point--where was all this money coming from? It was in the form of credit and speculation on margin. They had taken nothing and tried to build a colossal economic structure. Since the foundation was weak, it wasn't surprising that it collapsed when it got to be top-heavy.

It is not difficult to sit back, now that the situation portrayed has reached its end, and find fault. Many of these people honestly believed in that type of economy--even the forecasters--men who are supposed to be cool-headed people dealing in statistics, were carried along with the desire to make money quickly. Professors who were teaching the principles of sound investment, and who knew the value of the basic rate of interest in determining the risk involved, were carried along also. The person who went into the stock market, simply to make a little money and get out, found that after he reached his goal, he was not satisfied; so he kept putting back what he made until the end. The human desire to get something for nothing had gripped everyone.

After the stock market had crashed and the people had been spanked thoroughly, they started for the opposite extreme--conservatism. The consumer started to buy in a hand-to-mouth





manner. Clothing had to last for a longer period of time; therefore, one wouldn't risk buying something that might have been a fad. Since the consumer buying was sluggish, it forced the retailer to adopt the same policy. Manufacturing companies and converters found that order they had accepted were being cancelled. This condition went on right along the line until it seemed that everything had come to a stand-still. People were clammering for a chance to earn a livelihood, but jobs were few and far between.<sup>(1)</sup> The government agencies, organized for the purpose of taking care of this surplus labor, began coming to the front. For a while, there was a slight flurry in business, but it was not long-lived. Finally, in 1938, this country's economy was in a depression phase and it seemed to be going lower still.

The mortality rate for business firms was high in this period. After the stock market crashed and the people had swung to the conservative end of the scales, there were many business people who still hoped for a recovery. When the trend would swing upwards, they did not know. As their business declined, they kept putting more and more capital into it in order to keep the business alive. The result was that many people lost all of their money. For an establishment to weather that depression, a large amount of capital was necessary. The situation is analogous to the speculator who bought

(1) See Graph XIV, Chapter III.



stocks on margin, and as the stocks dropped, had to keep coming until, in most cases, he was completely wiped out. This is the climax to a period of false prosperity and the lack of anti-inflationary measures which are in effect today.





#### SECTION IV.

##### THE SITUATIONS EXISTING DURING WORLD WAR II

The following is a presentation of the situations that exist today and the conditions that preceded them.

##### A. Population Trends

The comparative population figures for Lawrence, as expressed in Table XV, show that the city is losing some of its inhabitants. The 1940 census figure of 84,323 showed that there was a .9% decrease as compared with the 1930 number of 85,068. However, this slight drop should not be alarming to the retailer. The main reason for this change is a social one. When people first move into a community, they usually locate their homes near enough to the shopping center of the city to make it convenient for them. As the city grows, there is a tendency for these one-time new-comers to move to the residential districts on the outskirts of the community or to the suburban towns which are recognized as the residential communities for the higher social group of the city proper. This reasoning is recognized by the merchants of Lawrence and is substantiated by Table XIV.

On further study of this chart, one finds that the towns of Andover, Methuen, North Andover, and Salem, New Hampshire, which constitute the most immediate part of Lawrence's trading area, have shown a total increase of 39.5% in the 1940



LOWELL-LAWRENCE-HAVERHILL METROPOLITAN DISTRICT -- POPULATION1940 and 1930, and OCCUPIED and VACANT DWELLING UNITS, 1940

(A minus sign (-) denotes decrease)

|               | POPULATION   |              |            |            | NUMBER OF DWELLING UNITS: 1940 |              |                          |                    |                               |
|---------------|--------------|--------------|------------|------------|--------------------------------|--------------|--------------------------|--------------------|-------------------------------|
|               | 1940         | 1930         | Increase   |            | Total                          | Occupied     | Vacant, for sale or rent |                    | Vacant not for sale or rent ( |
|               |              |              | Number     | Percent    |                                |              | Number                   | Per- cent of total |                               |
| Lawrence city | 84,323       | 85,068       | -745       | -0.9       | 22,739                         | 21,988       | 731                      | 3.3                | 20                            |
| Andover town  | 11,122       | 9,969        | 1,153      | 11.6       | 3,213                          | 2,984        | 154                      | 4.8                | 75                            |
| Methuen town  | 21,880       | 21,069       | 811        | 3.8        | 6,063                          | 5,811        | 206                      | 3.4                | 46                            |
| No. And. town | <u>7,524</u> | <u>6,961</u> | <u>563</u> | <u>8.1</u> | <u>2,115</u>                   | <u>2,073</u> | <u>21</u>                | <u>1.0</u>         | <u>21</u>                     |
|               | 124,849      | 123,067      |            |            | 34,130                         |              |                          |                    |                               |

- (1) Mainly vacant dwelling units held for absent households, together with a few dwelling units occupied by non-resident households.
- (2) Haverhill city was not designated a "central city" in 1930; consequent changes made in indicated sub-totals.
- (3) Part of Methuen town annexed to Lawrence city in 1930.

|                      | 1940         | 1935      | 1930         | 1925      | 1920         |
|----------------------|--------------|-----------|--------------|-----------|--------------|
| Lawrence             | 84,323       | 86,785    | 85,068       | 93,527    | 94,270       |
| Methuen              | 21,880       | 21,073    | 21,069       | 20,606    | 15,189       |
| North Andover        | 7,524        | 7,164     | 6,961        | 6,839     | 6,265        |
| Andover              | 11,122       | 10,542    | 9,969        | 10,291    | 8,268        |
| Salem, New Hampshire | <u>3,267</u> | <u>--</u> | <u>2,751</u> | <u>--</u> | <u>2,318</u> |
|                      | 128,116      | 125,564   | 125,818      | 131,265   | 126,310      |

FOREIGN-BORN  
BREAK-DOWN

|          | 1940   | 1930   | 1920   | 1910   | 1900   |
|----------|--------|--------|--------|--------|--------|
| Lawrence | 22,939 | 28,633 | 39,063 | 41,319 | 28,519 |

SOURCE: U.S. Census Reports





census figures as compared with the 1930 census report. This increase more than compensates for the decrease in the city's total.

The author's estimate of the population in the city proper is that the figure is close to the 100,000 group. The fact that the textile mills are working twenty-four hours a day means that many more people have to be employed. This situation, coupled with one's inability to find a house or apartment for rent in this city, indicates that the population figure today must be much higher than the 1940 census report of 84,323.

#### B. Manufacturing Trends

The curves representing the manufacturing trends in Lawrence since the outbreak of the war in Europe, 1939 up to 1943, will be presented in Table and Graph form in this section. The following categories will be expressed in each of these charts and graphs:

The capital invested, the value of stock and materials used, the amount of wages paid during the year, the average number of wage-earners, and the value of the products, as well as the value added.

##### 1. Capital Invested.

Graph XVII presents the amount of capital invested from 1940 to 1943. In the 1939 questionnaire this figure was



not called for. The curve starts at \$82,198,669 in 1940 and proceeds up to its peak of \$93,135,525 in 1941. This increase of \$11,000,000 was due partially to the demands of the allied nations and to the United States Rearmament Program. There is a decrease of about \$1,000,000 in 1942, giving us the total of \$92,122,571. In 1943 the figure is \$88,924,947, a difference of approximately \$3,000,000. A reason for this drop in the 1943 figure is that the mills had completed the major part of a government order in the early part of that year. This is substantiated by an article that appeared in the Lawrence Eagle-Tribune summarizing the 1943 effects upon manufactures. It points out that where the mills had been using about seventy percent of their capacities on making government material and thirty percent for civilian goods, that in the latter half of 1943, the reverse was the case--seventy percent civilian and (1) thirty percent government.

## 2. Value of Stock and Materials.

Graph XVIII portrays the value of stock and materials used by the manufacturing companies in this five-year period. The 1939 figure is \$69,253,238. The second year of the war saw an increase of about \$7,000,000, making the 1940 total of \$76,452,048. The increased demand for material continued, giving us the 1941 figure of \$108,173,791--a jump of about \$32,000,000 over the previous year. The peak was reached in

(1) Source: Lawrence Eagle-Tribune, "Mill Outlook for First Half of 1944 Favorable", January 25, 1944.





TABLE XV

THE CAPITAL INVESTED IN MANUFACTURES IN LAWRENCE; 1939-1943

| YEAR | CAPITAL INVESTED |
|------|------------------|
| 1939 | (1)              |
| 1940 | \$ 82,198,669    |
| 1941 | 93,135,525       |
| 1942 | 92,122,571       |
| 1943 | 88,924,947       |

SOURCE:

ANNUAL REPORTS; 1939 - 1943

DEPT. OF LABOR & INDUSTRIES

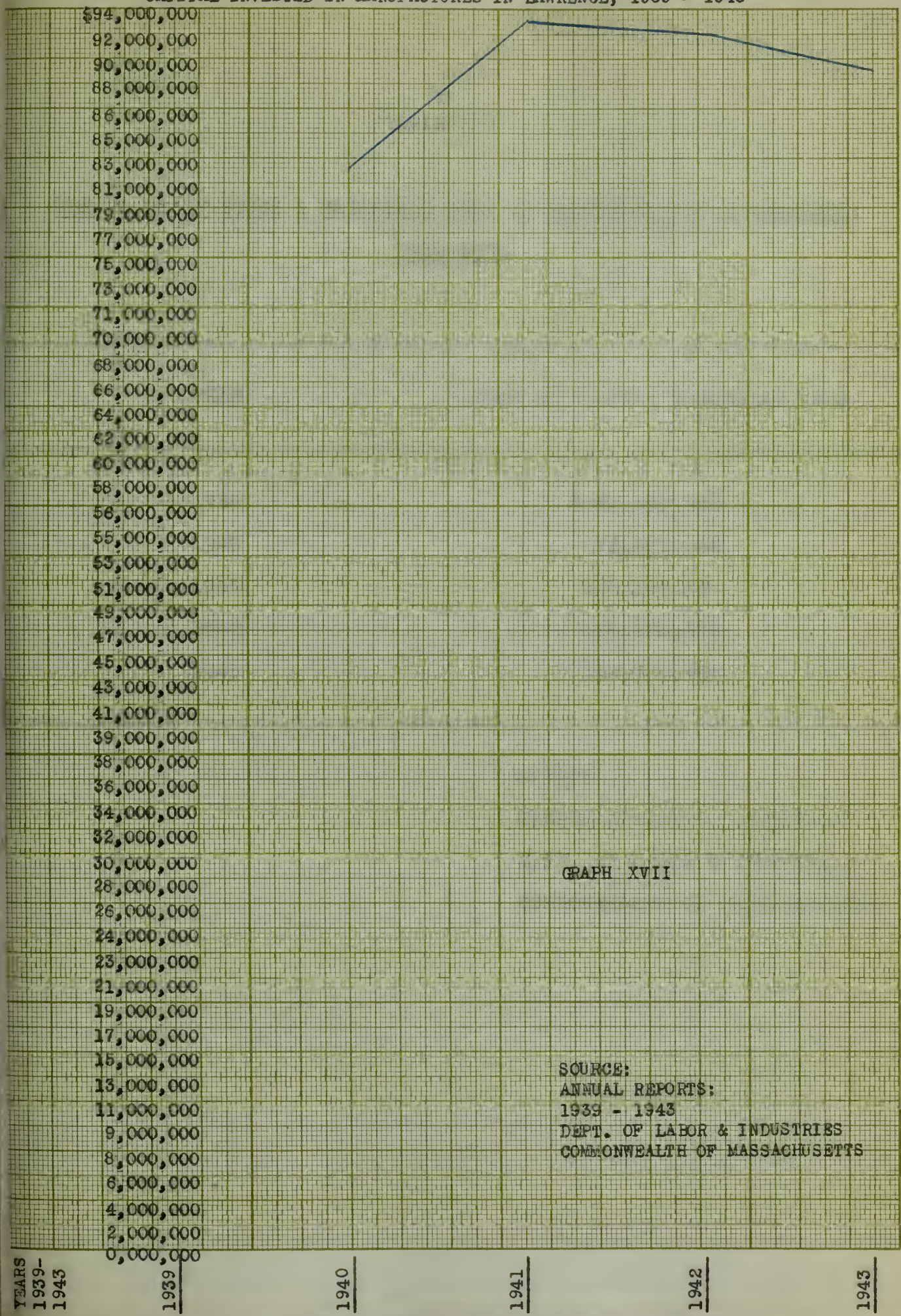
COMMONWEALTH OF MASSACHUSETTS

Not called for on the questionnaire.





CAPITAL INVESTED IN MANUFACTURES IN LAWRENCE; 1939 - 1943



GRAPH XVII

SOURCE:  
ANNUAL REPORTS:  
1939 - 1943  
DEPT. OF LABOR & INDUSTRIES  
COMMONWEALTH OF MASSACHUSETTS







TABLE XVI

THE VALUE OF STOCK & MATERIALS USED IN MANUFACTURES IN LAWRENCE;  
1939-1943

| YEAR | VALUE OF STOCK & MATERIALS USED |
|------|---------------------------------|
| 1939 | \$ 69,253,238                   |
| 1940 | 76,452,048                      |
| 1941 | 108,173,791                     |
| 1942 | 115,470,438                     |
| 1943 | 110,903,455                     |

SOURCE:

ANNUAL REPORTS; 1939-1943

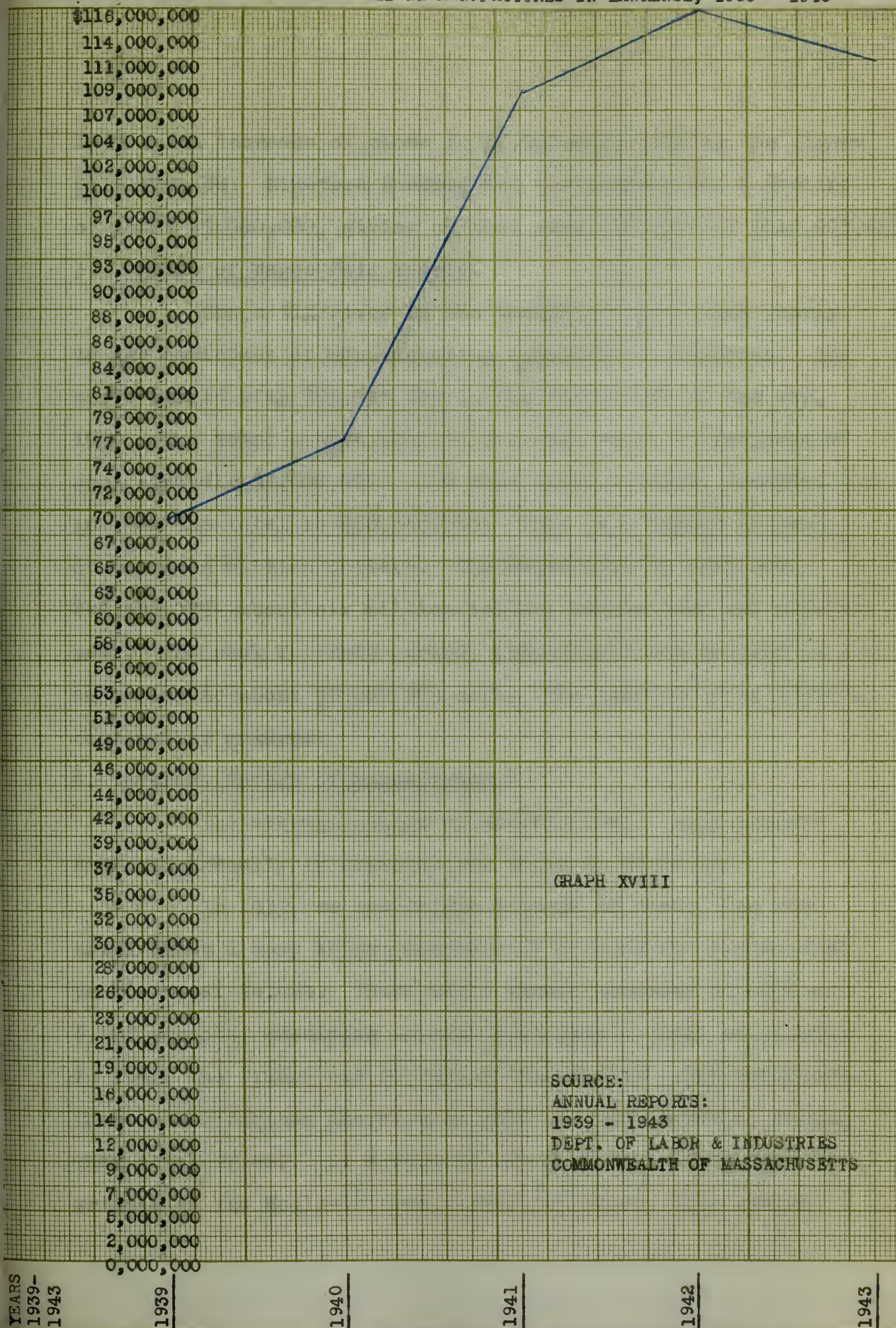
DEPT. OF LABOR & INDUSTRIES

COMMONWEALTH OF MASSACHUSETTS





## VALUE OF STOCK AND MATERIALS USED IN MANUFACTURES IN LAWRENCE; 1939 - 1943









1942 by an increase of close to \$7,500,000, netting the figure \$115,470,438. Nineteen hundred and forty-three saw a decline of about \$5,000,000, giving us that year's figure of \$110,903,455.

### 3. Amount of Wages Paid Yearly.

Graph XIX gives us the amount of wages paid yearly to the employees of manufacturing companies in Lawrence. The curve starts with \$23,556,065 in the first year of the war, 1939. The total of \$25,424,171 for 1940 shows an increase of approximately \$2,000,000. The wage trend is still upwards, and in 1941 the total is \$38,668,316. This is a marked increase of thirteen million dollars. The wages paid in 1942 were \$44,638,375--about six million dollars higher than the previous year. The peak for that period, \$46,472,215 was reached in 1943, amounting to about \$2,000,000 more. The trend in this curve is continually upwards.

### 4. Average Number of Wage-Earners.

The average number of manufacturers' wage-earners employed annually in Lawrence are shown in Graph XX.

In 1939, we had 24,554 persons at work. The 1940 total shows a very slight decrease of 85 persons, making that year's total 24,469. There was a marked increase in 1941 of 6,102 persons, resulting in that peak year's total of 30,571. In 1942, the figure was 29,049, a decrease of 1,522 employees. There was a further decrease in 1943 of 1,587 persons, making that total 27,462. It should be noted at this point that the article in the Eagle-Tribune, mentioned above, also states



TABLE XVII

THE AMOUNT OF WAGES PAID DURING THE YEAR IN MANUFACTURES IN  
LAWRENCE; 1939-1943

---

| YEAR | AMOUNT OF WAGES PAID DURING THE YEAR |
|------|--------------------------------------|
| 1939 | \$23,556,065                         |
| 1940 | 25,424,171                           |
| 1941 | 38,668,316                           |
| 1942 | 44,628,375                           |
| 1943 | 46,472,251                           |

---

SOURCE:

ANNUAL REPORTS; 1939-1943

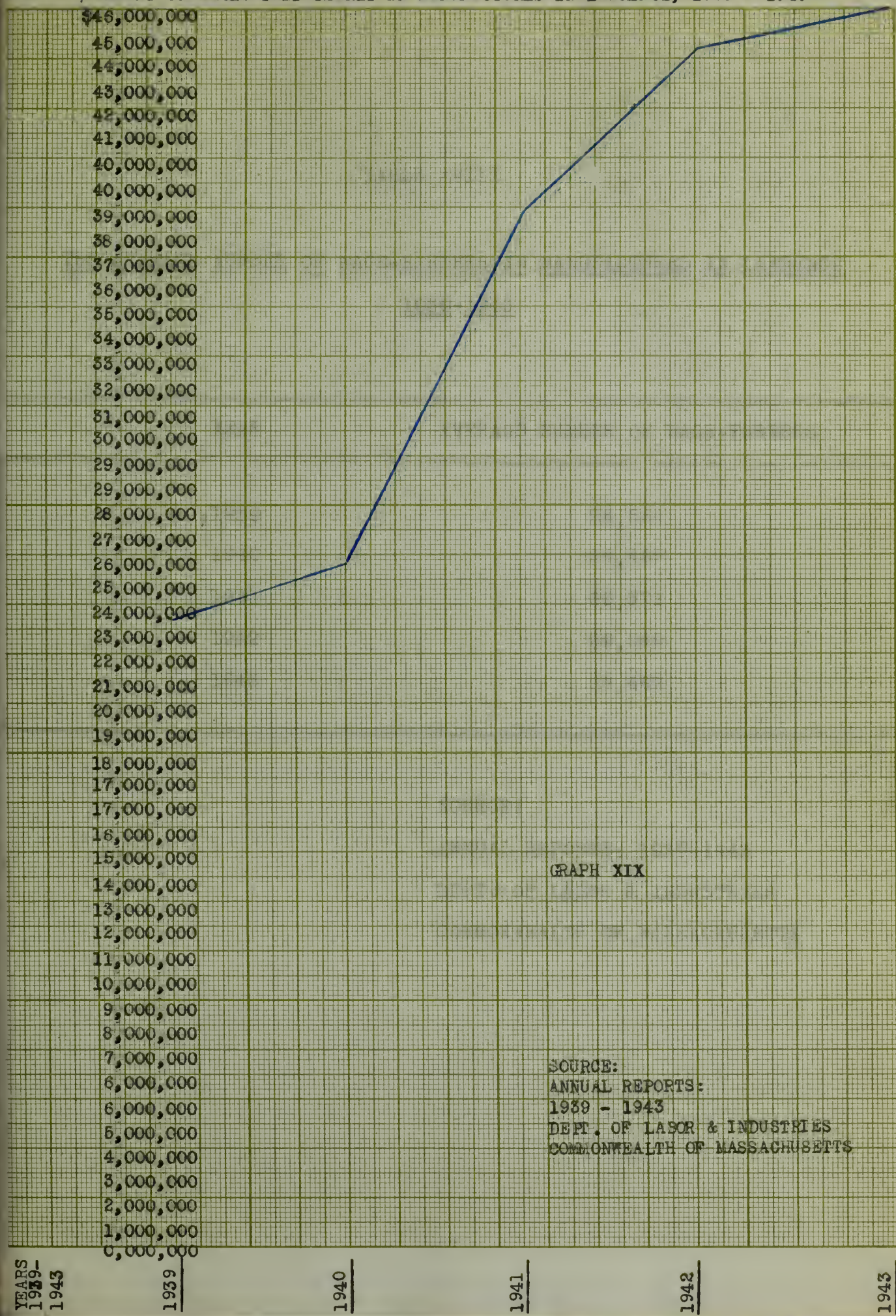
DEPT. OF LABOR & INDUSTRIES

COMMONWEALTH OF MASSACHUSETTS





AMOUNT OF WAGES PAID YEARLY IN MANUFACTURES IN LAWRENCE; 1939 - 1943



GRAPH XIX

SOURCE:  
ANNUAL REPORTS:  
1939 - 1943  
DEPT. OF LABOR & INDUSTRIES  
COMMONWEALTH OF MASSACHUSETTS





TABLE XVIII

THE AVERAGE NUMBER OF WAGE-EARNERS IN MANUFACTURES IN LAWRENCE  
1939-1943

| YEAR | AVERAGE NUMBER OF WAGE-EARNERS |
|------|--------------------------------|
| 1939 | 24,554                         |
| 1940 | 24,469                         |
| 1941 | 30,571                         |
| 1942 | 29,049                         |
| 1943 | 27,462                         |

## SOURCE:

ANNUAL REPORTS; 1939-1943

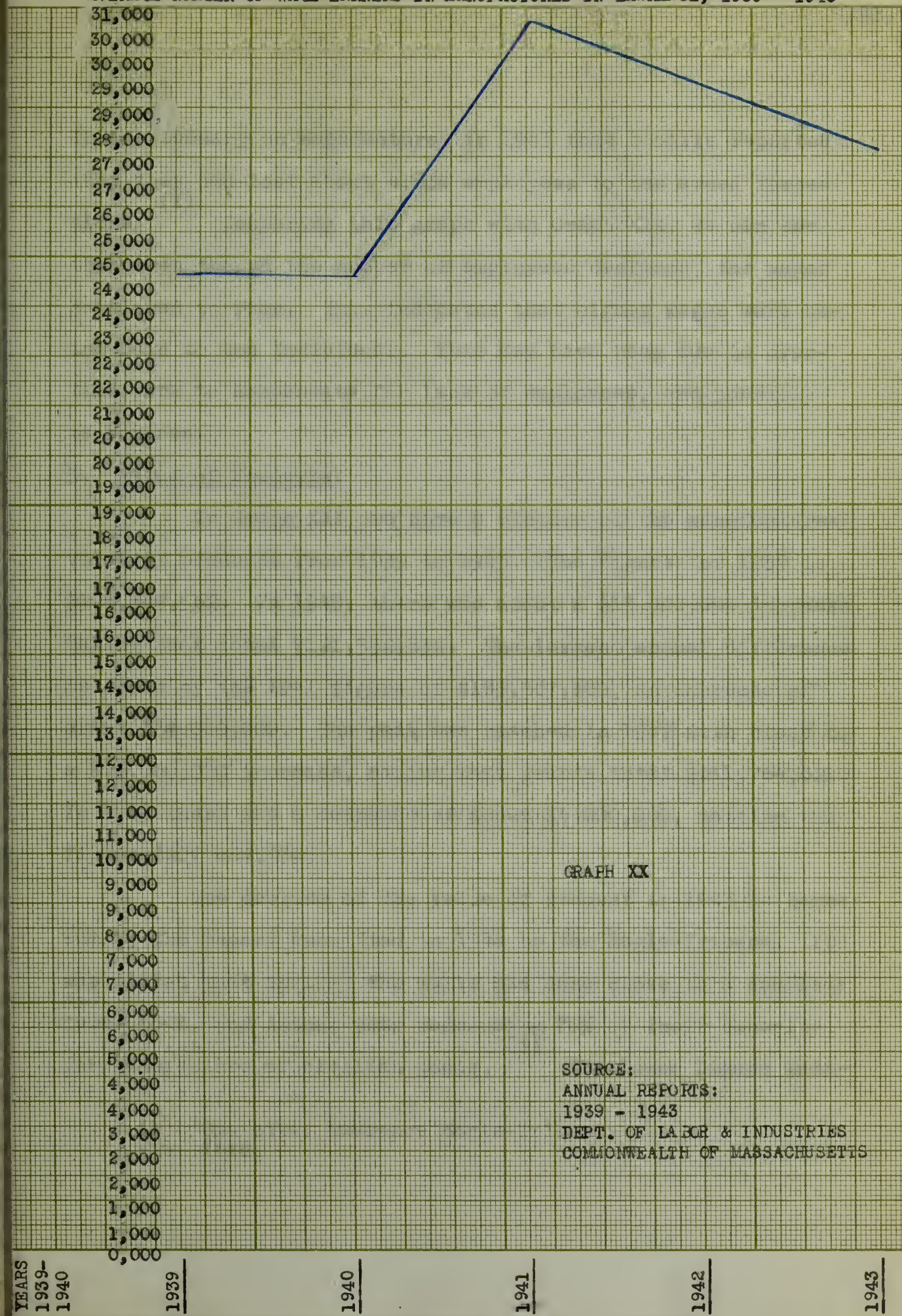
DEPT. OF LABOR &amp; INDUSTRIES

COMMONWEALTH OF MASSACHUSETTS





AVERAGE NUMBER OF WAGE-EARNERS IN MANUFACTURES IN LAWRENCE; 1939 - 1943



GRAPH XX

SOURCE:  
ANNUAL REPORTS:  
1939 - 1943  
DEPT. OF LABOR & INDUSTRIES  
COMMONWEALTH OF MASSACHUSETTS





in its summary on manufactures in 1943 that 8 mills reported that they had lost about 4,834 employees to the armed forces alone. (1)

Comparing this graph with Graph XIX, we can see that even though the number of employees declined, the wages continued to rise. This indicates that higher wages were being paid to the individual. This may have been due to overtime work to compensate for lack of employees, and possibly to bonuses.

##### 5. Value of Products.

In Graph XXI, we have a picture of the manufactures' value of products from 1939 to 1943. The figure for 1939 is \$108,345,562. In 1940, there was about a \$13,000,000 increase, making that total \$121,532,832. The largest annual difference is shown by the 1941 figure of \$185,667,680, an increase of about \$64,000,000. The peak was reached in 1942 with close to a \$26,000,000 increase, making that year's total \$211,764,821. In 1943 there was a decrease of about \$4,000,000, netting the figure \$207,484,279.

The decline of the value of product in 1943 is borne out by the report submitted in 1944 by the Eagle-Tribune. It was stated that in 1943 the mills had done close to a complete turn-about, and in that year were using 70% of their capacity for manufacture of civilian goods. (2)

The lower figure indi-

(1) Op. cit., Lawrence Eagle-Tribune.

(2) Ibid.





TABLE XVIX

THE VALUE OF PRODUCTS IN MANUFACTURES IN LAWRENCE  
1939-1943

| YEAR | VALUE OF PRODUCTS |
|------|-------------------|
| 1939 | \$108,345,562     |
| 1940 | 121,532,832       |
| 1941 | 185,667,680       |
| 1942 | 211,764,821       |
| 1943 | 207,484,279       |

## SOURCE:

ANNUAL REPORTS; 1939-1943

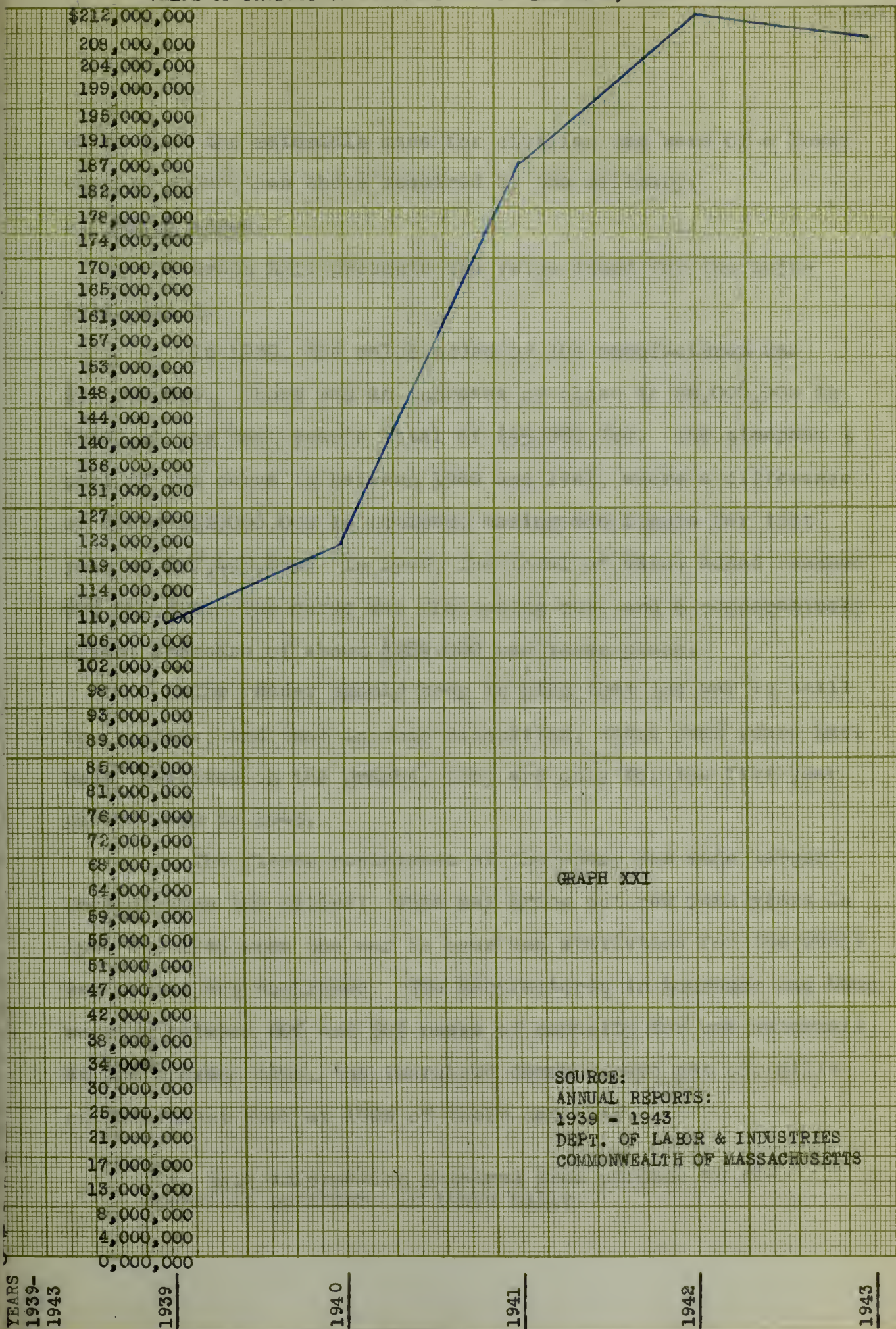
DEPT. OF LABOR &amp; INDUSTRIES

COMMONWEALTH OF MASSACHUSETTS





VALUE OF PRODUCT OF MANUFACTURES IN LAWRENCE; 1939 - 1943









cates that the materials made for civilian use were of a lower quality group than those required by the military.

6. Value Added.

Graph XXII presents the value added for the 1939-1943 period.

In 1939, the value added by the manufactures was \$39,092,324. There was an increase of close to \$6,000,000 in 1940, making that year's total of \$45,080,784. The steepest part of the curve is between 1940 and 1941, where a difference of about \$32,000,000 is noticed, making the figure for that year of \$77,493,889. In 1942, the total of value added reached \$96,580,824. The curve was flattening out, and a comparatively slight increase of about \$289,000 had taken place.

The reader should keep in mind that the war is still in progress, and that in this discussion, where peak years have been indicated on the graphs, they are only for the five-year period 1939 to 1943.

The fierce resistance of the enemy has made larger demands upon the allies. This may bring out new peak years in 1944 and 1945 when the war is over and statistics for the whole war period are published. The manufactures in Lawrence had been working between 60% and 80% peaks of capacity for war materials. At the present time, the increased demands have put our mills on government work at 100% of their capacity.

(1) This information obtained from persons in responsible positions in these mills.



TABLE XX

THE VALUE ADDED IN MANUFACTURES IN LAWRENCE: 1939-1943

| YEAR | VALUE ADDED  |
|------|--------------|
| 1939 | \$39,092,324 |
| 1940 | 45,080,784   |
| 1941 | 77,493,889   |
| 1942 | 96,291,383   |
| 1943 | 96,580,824   |

SOURCE:

ANNUAL REPORTS; 1939-1943

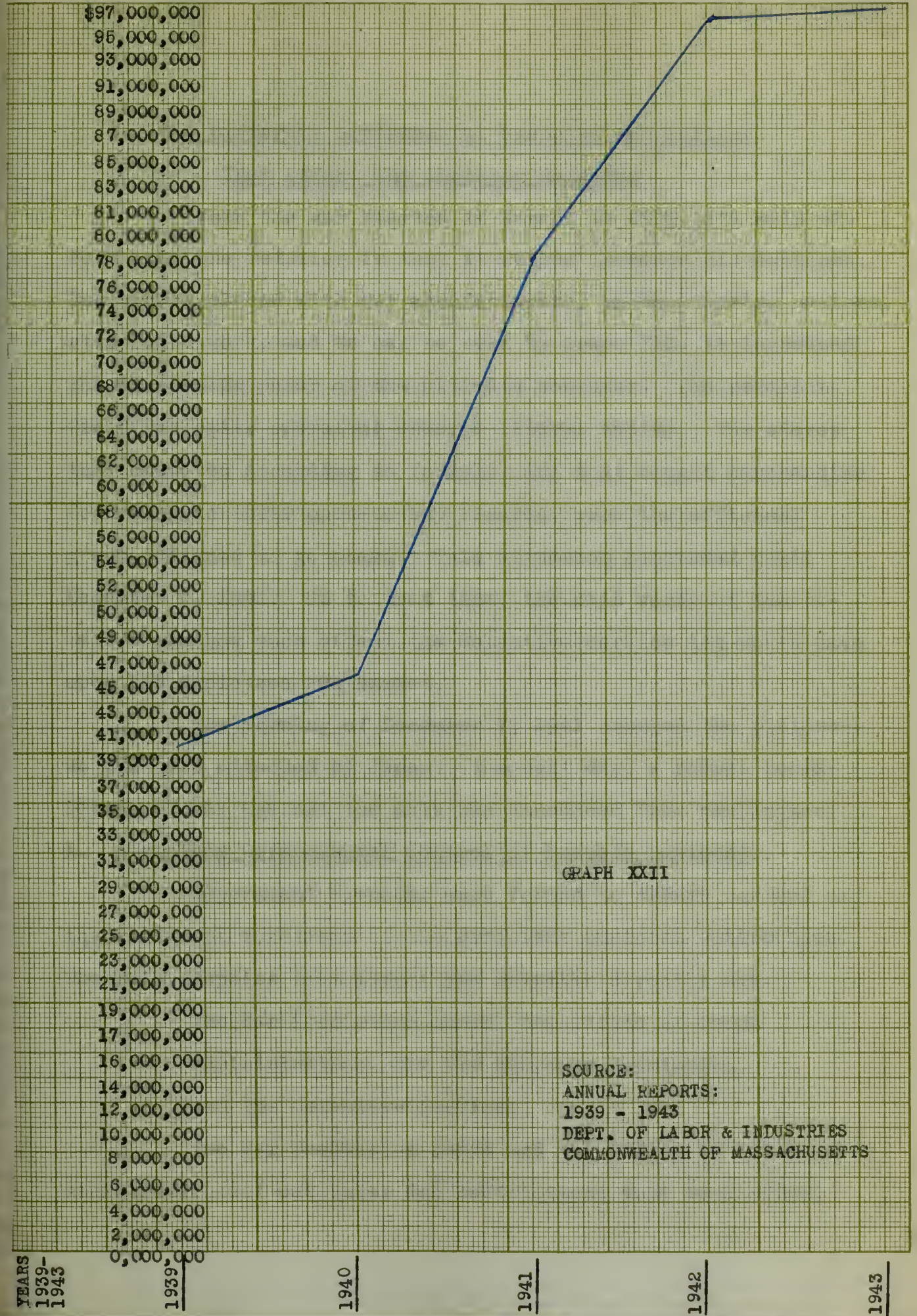
DEPT. OF LABOR & INDUSTRIES

COMMONWEALTH OF MASSACHUSETTS





THE VALUE ADDED IN MANUFACTURES IN LAWRENCE; 1939 - 1943



GRAPH XXII

SOURCE:  
ANNUAL REPORTS:  
1939 - 1943  
DEPT. OF LABOR & INDUSTRIES  
COMMONWEALTH OF MASSACHUSETTS





C. The Different Governmental Agencies and Rulings  
That Affect The Clothing Retailer

When the war started in Europe in 1939, its main effect upon the retailer is that it helped increase his business. The orders placed with our manufacturers, by the warring nations, stimulated work, and as can be seen by Graph XIX, it increased the purchasing power of the ultimate consumer. The retailing field was still operating under a liberal system. The stores that operated according to formula, and that bought merchandise according to their open-to-buy figures, were the efficient group destined to go ahead. This situation continued until December 7, 1941. Up to that time, the main worry of the retailer was how much effect the Selective Service Act would have upon his employees and market.

The morning of December 7, 1941 changed the picture-- we had been attacked by Japan. The next day, a formal declaration of war against the axis was announced from Washington.

1. Stringent Governmental Control of Private Business.

Government agencies were formed to assure control of the different functions of the different business enterprises. The main agencies that affect the retailer directly are:

The War Production Board, the Office of Price Administration, the War Manpower Commission, and the Selective Service.

The War Production Board and the Office of Price Administration set out rules and restrictions that took effect





March 31, 1942. Price ceilings were set up for the different consumer goods, under the heading "The Maximum Price Regulations". Under this ruling, no merchandise was to be sold at a price higher than for which it was sold on March 30, 1942. The retailer had been required to submit lists of the different items he had in stock in March 1942, with the prices for these articles. This necessitated taking inventories with prices listed. The ceiling price was to be available to anyone who wished to see it. If a store wished to add any new lines after that date, March 31, 1942, then the retailer was required to find out at what price that, or a very similar line, was being sold by his closest competitor, and use that figure as the basis for the price that will be set for that line in his establishment.

The next thing that the retailer had to do was to attach itemized labels to the merchandise. To the clothing retailer this entailed the following steps:

He had to write his sources and get definite information from them as to the exact nature of the items that went into making the finished product. The ruling (WPB M-388) required him to label each garment not only with the names of these items but also with the percentage of each. The following example illustrates this point:

An article may be made out of wool. If that wool was not used or processed for any other purpose, then an all-wool label may be put on the garment. On the other hand, if



such is not the case, then the percentage must be put on the label, such as, 70% wool, 20% reprocessed wool, 10% reused wool. If the garment had a different face and back, then not only must the percentages be put down for each separately, but it must be stated what percentage of the whole garment each constitutes. This illustration indicates that quite a substantial amount of labor and time was needed to carry out this procedure.

Rationing is another ruling set up by the government (WPB M-388). It's purpose is to attempt to assure each person his share of the merchandise available. When this ruling is carried out fully, the purpose is usually accomplished. However, in cases such as clothing, where a modified form of rationing is used, usually the purpose is not fully accomplished. The modified form is where the manufactures, converters and retailers are placed on an allotment basis. They can buy or make only a certain percentage of the amount purchased or manufactured by them in a base year. Under these conditions, a retailer doesn't buy as much merchandise as his open-to-buy figure calls for. He can get only what his allotment figure permits him, irrespective of his needs for more merchandise. This form of rationing does not, however, limit the amount that an ultimate consumer is permitted to buy. When a rumor goes out that clothing may be rationed, and there have been many, the consumers make a run on the retailer in order to assure themselves that they will have enough merchandise to tide them over. This places





the business-man in a very awkward position. He realizes that if he sells his goods too freely, he may find himself without any stock until the next season's allotment comes through. On the other hand, he is dealing with the consumer, and since the consumer can be offended very easily, and take his business elsewhere, great tact must be used by the retailer in handling this type of a situation.

In addition to the above, another government order came out (WPB L-130). This ruling wouldn't permit the retailer to put cuffs on trousers. He was to measure the trousers, make a plain bottom, cut the rest of the cloth off, and put the clippings into bale form. These bales were to be picked up by some agency or company designated by the government. The clippings were to be reprocessed and used to make "shoddy" cloth. This caused the retailer many headaches, because the consumer couldn't seem to understand why he couldn't have a cuff on trousers that had sufficient cloth for this purpose. Later, it seems that the amount of clippings realized from this ruling was so trivial that the end was not worth the means; therefore, the ban on cuffs was lifted.

The following restrictions were also placed on the manufacturing of men's clothing (WPB L-181 and L-224):

No one is allowed to make two trousers with a suit, or have them made.

No one is permitted to make a vest with a double-breasted suit, or have it made.



No one is permitted to sell or deliver merchandise manufactured in violation of the above.

Limitations were also placed on the length that top-coats, overcoats, and sack coats could be cut. The "sweep" around the bottom of an outer coat was also limited. The length of a trouser is also limited, saving cloth, but preventing tall men from having cuffs due to the lack of cloth.

At one time they also restricted pleats on trousers, but that ban has been lifted.

The latest ruling, OPA MPR-580, is that clothing retailers are to list cost and supporting invoice, selling price, mark-up, and that all future sales must be based on these percentage mark-up figures.

## 2. Credit.

The credit policies towards the consumer of many retailers were effected on August 21, 1941 by regulation "W". This regulation, which was issued by the Board of Governors of the Federal Reserve System, set up norms governing the amount and procedure involved in the extension of credit to the consumer. The clothing retailer, however, was not directly affected by this regulation at that time, for wearing apparel was not one of the items listed under this ruling. On May 6, 1942, a revision of this regulation "W" became effective. On that date the clothing merchant's credit procedures came under regulation "W". Wearing apparel was now listed.

The regulations that directly affect the clothing





retailer will be summarized from the revised Regulation "W" issued by the Board of Governors of the Federal Reserve System, effective May 6, 1942. Under Section 4, "Installment Sales", the following categories are discussed fully:

Down payment, maximum maturity, amount of intervals of installments, statements of transaction with a complete description of the transaction, including terms of payment.

Under Section 5, "Charge Accounts", the following are taken up and discussed:

Maximum maturity, restriction, default, curing defaults, conversion of charge accounts into installment credit prior to default, and floor authorization.

These sections were so concisely written, that it is believed a summary could not present a true picture of this regulation; therefore, they have been reproduced in their entirety into this thesis for reference.<sup>(1)</sup>

These above regulations have been in effect up to the present date. The importance of credit cannot be over-emphasized, because the bulk of the business done is carried on under credit.

### 3. Wage And Hour Regulations.

The wage and hour regulations do not have much effect

(1) See page 143-146.



upon the retailer. In the case of adult male employees, the general rule is that a person may work forty-eight hours a week and not more than six days a week. The wages depend upon the agreement reached between employer and employee. The hours for the employment of women and minors are more restricted however. They are not permitted to work more than nine hours in one day and no more than forty-eight hours in one week. The minimum wages in Lawrence that pertain to this latter group are:

\$14. per week for average employees 19 years or over.

\$13. per week for inexperienced employees of 18 years of age.

\$12. per week for employees under 18 years of age.  
(1)

The Selective Service and the War Manpower Commission cut into the retailer's market and his employees. According to the Lawrence Eagle-Tribune estimate, about 11,000 men are in some branch of the armed services.  
(2) The War Manpower Commission sends letters to the employees of the retail stores informing them about the work available in shipyards and other defense plants. The retailer is unable to outbid the navy-yard employees, and he can't offer deferments to his personnel. The retail employee is hard to replace today, for he must be a trained

(1) Minimum Wage Commission, Dept. of Labor and Industries, Commonwealth of Massachusetts.

(2) Op. cit., Eagle-Tribune.





man, and the majority of skilled labor that is any good is either working or in the armed forces.

4. Business Failures In The City.

To the first-hand knowledge of the author, there have been no retail failures in Lawrence because of this war. The main reason at the present time for any business failing is if the management permits itself to be sold out of merchandise. Any other reasons would not be due to conditions arising from the war, but to faulty management.



## SECTION V.

### HOW PRESENT CONDITIONS COMPARE WITH THOSE OF 1914-1918

The conditions of 1939 to 1943, and those that existed during the period of the first World War (1914-1918), have been discussed separately. At this point a comparison of these periods will be of value as an aid in predicting the situation that may exist in the post-war period of World War II.

#### A. Population Trends Of 1914-1918 vs. Population Trends Of 1939-1943

The population figures for 1914 to 1918 show an upward trend. The city reached that period's peak of 100,054 in 1916, but the figures that followed were all higher than the 1914 total of 89,384, which was the low figure for that period. The author believes that the inadequacy of transportation facilities in those days was an important reason for that upward trend in population. People would tend to establish residence near their work, and as close as possible to the shopping facilities offered by the City. The surrounding towns depended upon Lawrence to satisfy their demands for consumer goods, but at that time the general procedure was to reserve one day of the week for the jaunt to the city.

The U. S. Census figures of 1930 and 1940 have shown a decrease of 745 people in the city. This is a slight figure





for a period of ten years, and the indication is that the population trend for the city may be getting static. However, the immediate trading area of Lawrence has shown a 39.5% increase in its population. This increase, coupled with the improved transportation facilities, indicates that the Lawrence merchant's market is not only larger, but also more active.

B. Manufacturing Trends of 1914-1918 vs. Manufacturing Trends of 1939-1943

In discussing the manufacturing trends of the periods 1914 to 1918 and 1939 to 1943, reference is made to the accompanying graphs:

The capital invested, the value of stock and materials used, the amount of wages paid, the average number of wage-earners, the value of the product, and the value added.

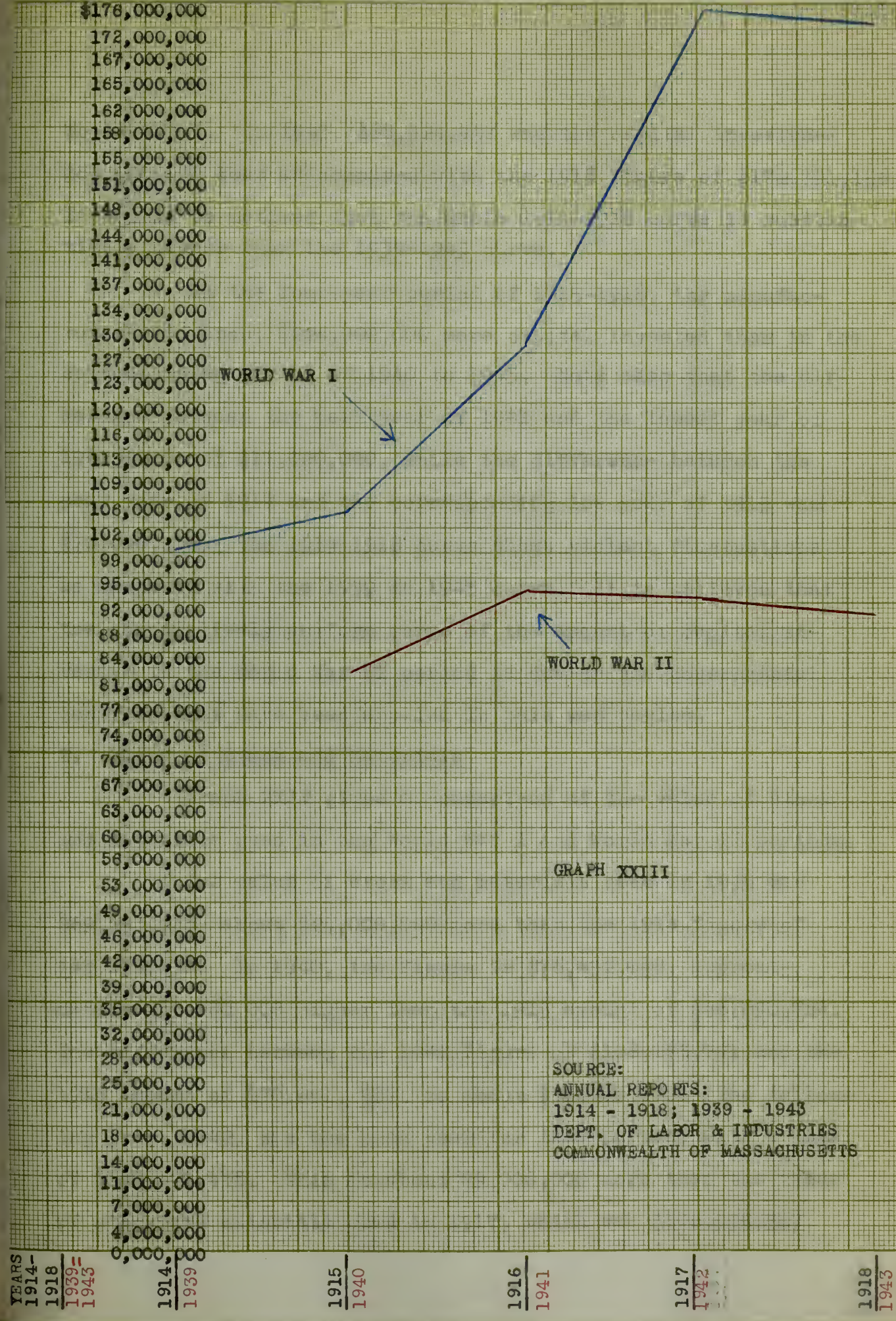
1. Amount of Capital Invested.

Graph XXIII presents a composite picture of the amount of capital invested annually in both periods. The capital invested in 1940 was \$82,198,669, about \$23,000,000 less than the 1915 figure of \$105,136,603. In 1941, which is the peak year for that period, the total was \$93,135,525--approximately \$34,000,000 less than the 1916 amount of \$127,110,489. The figure for 1942 is \$92,122,571. It is about \$83,000,000 less than the 1917 figure of \$175,534,619, which was the peak for





CAPITAL INVESTED IN MANUFACTURES IN LAWRENCE; 1914 - 1918; 1939 - 1943







UNITED STATES DEPARTMENT OF AGRICULTURE  
BUREAU OF PLANT INDUSTRY  
WASHINGTON, D. C.



World War I. In 1943, \$88,924,947 was the capital invested--\$84,000,000 less as compared with the 1918 figure of \$172,791,156. It should be noticed that the whole 1914-1918 curve is substantially higher than the 1939-1943 curve.

In the four-year period of 1915-1918, the manufacturers had about \$224,000,000 more capital invested than in the corresponding period of 1940 to 1943. Note also that the difference between the peak year of 1941 and the lowest year of 1940 is about \$11,000,000, while the difference between the peak year of 1917 and the corresponding low year of 1915 was \$70,000,000. The 1914-1918 curve shows violent fluctuations as compared with the 1939 to 1943 curve. It is believed that the comparatively uniform curve of the amount of capital invested in the World War II period is due to the governmental controls that have been applied in this war period.

## 2. Value of Stock and Materials.

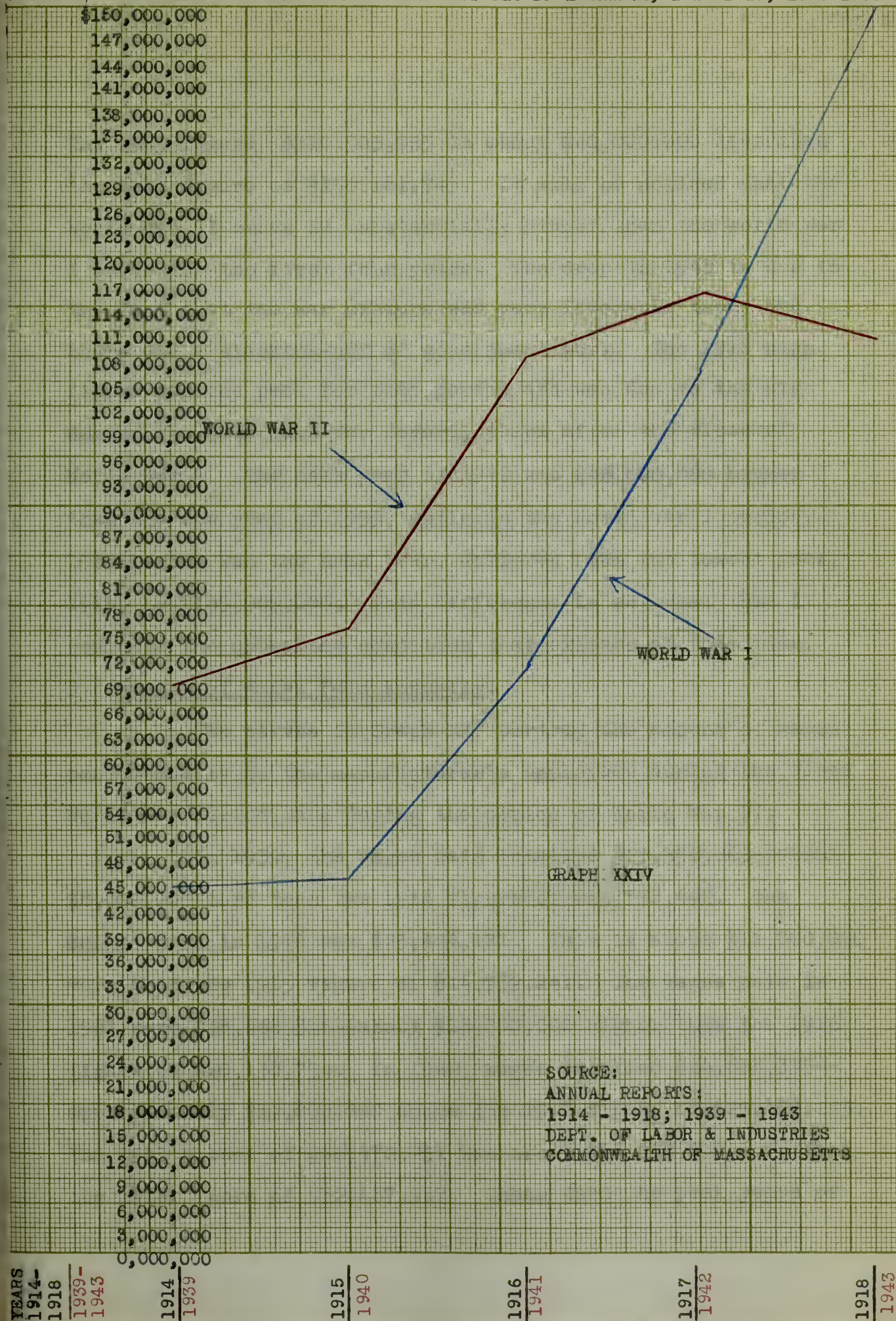
Graph XXIV gives a comparison of the value of stock and materials used in the World War I and World War II periods.

The value of stock and materials used in 1939 was \$69,253,238, about \$24,000,000 more than the 1914 figure of \$45,152,230. In 1940, the figure is \$76,452,048, approximately \$30,000,000 higher than the 1915 amount of \$46,698,784. The difference between the 1941 figure of \$108,173,791 and the 1916 amount of \$70,951,537, is about \$38,000,000. The following year, 1942, was the peak year for that period, with a total of \$115,470,438. This is about \$9,000,000 more than the value of stock and materials used in 1917, which was \$106,995,567.





VALUE OF STOCK AND MATERIALS USED IN MANUFACTURES IN LAWRENCE; 1914-1918; 1939-1943









The 1943 figure, \$110,903,955 is about \$40,000,000 less than the 1918 figure of \$150,181,743. It will be noticed that the World War II curve is substantially higher than the World War I curve for the first four years. The drop in 1943 is due to the fact that the war picture was very favorable then, and there was a slacking-off of government work. The 1918 high figure was the peak for that period and was due to the high demand for materials for several years after the close of World War I. The peak year of 1942 was \$46,000,000 higher than the low year of 1939, while in the World War I period, 1918, which was the peak year, differed from the lowest year, 1914, by \$105,000,000. This difference is so great that it reflects the unhealthy condition that existed at that time.

### 3. Amount of Wages Paid Annually.

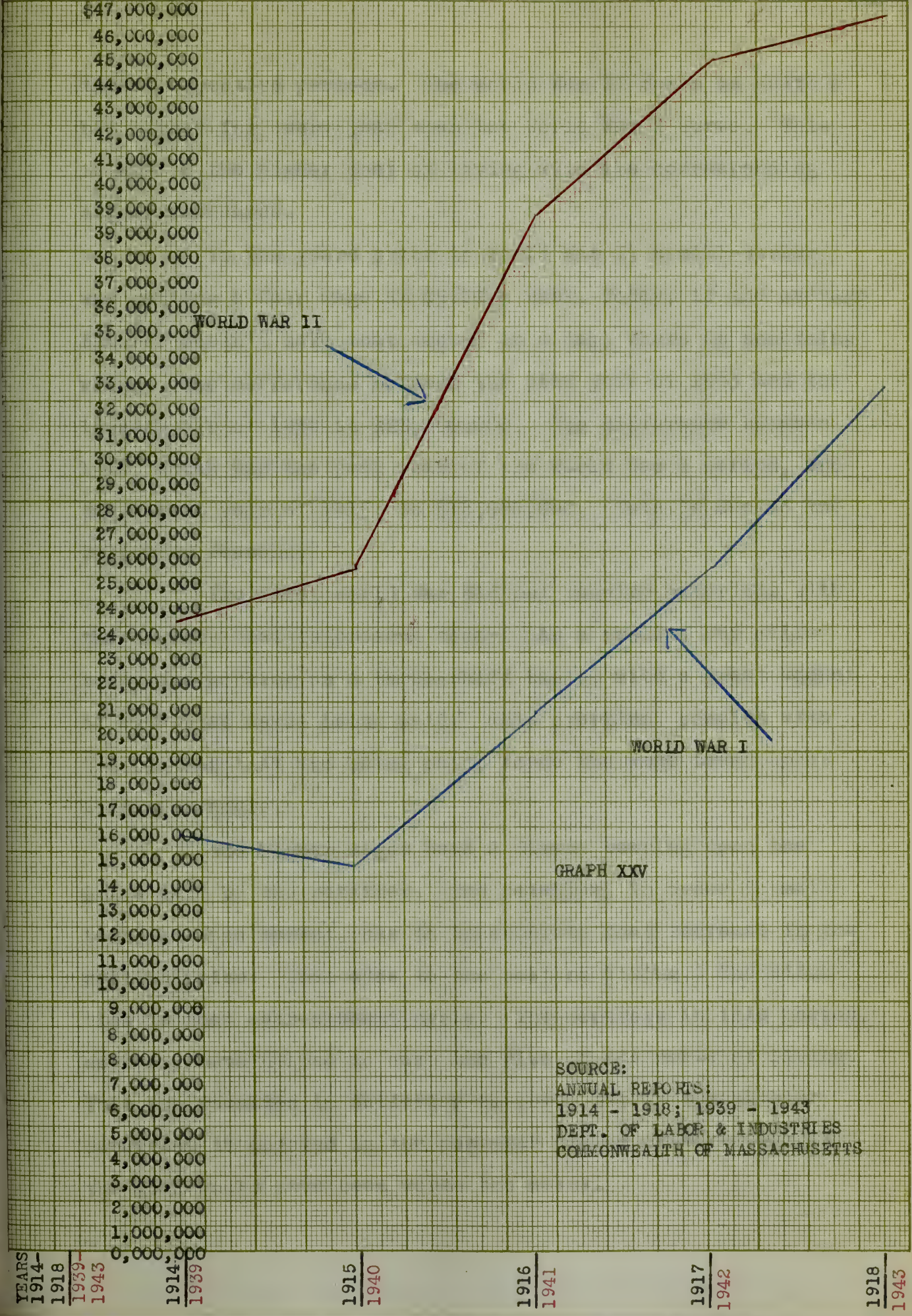
The curves in Graph XXV portray the amount of wages paid annually to the manufacturer's employees during the first World War Period, and during the period of World War II.

In 1939, the wages paid totalled \$23,556,065--about \$8,000,000 more than the 1914 figure of \$15,778,442. The amount paid in 1940 was \$25,424,171. This is about \$11,000,000 more than the 1915 figure of \$14,739,141. The wages paid in 1941 were \$38,668,316--about \$18,000,000 higher than the 1916 figure of \$20,138,754. In 1942, wages totalled \$44,638,375--approximately \$19,000,000 above the 1917 figure of \$25,408,225. The 1943 amount of \$46,472,251 was about \$14,000,000 more than the 1918 figure of \$32,487,587. These were the peak years of





AMOUNT OF WAGES PAID YEARLY IN MANUFACTURES IN LAWRENCE; 1914 - 1918; 1939 - 1943









these respective periods. The World War II curve is quite a bit higher for every year than the World War I curve. This is due to the higher cost of living with its corresponding higher standards.

In the years prior to World War I, a mill-worker was getting a fair wage at \$5.00 a week. Today, if the average laborer doesn't make that amount in a day, there is something wrong. The difference between the peak year of 1943 and the lowest year of 1939 is \$23,000,000. The difference between 1918, which was the peak year of the World War I period, and the lowest year of 1915, is \$18,000,000. This is due to the following reasons:

The first World War did not require materials with the urgency that is present today. As a result, our mills today are working on a three-shift basis, with a great amount of over-time wages being paid. This overtime, coupled with the bonuses that are being paid, force the wage trend up at a steeper angle.

The higher wages have a direct bearing upon the price paid by the retailer. The retailer, in order to maintain the same market, has to incorporate that increase in the selling price. This adds to the cost of living. The situation is that ever-present cycle. The controls in this period, however, have helped to curb the rise of the costs of living. This has resulted in suffering to some, but if a healthier condition is enjoyed in the post-war period of World War II, the goal would have been worth the means.



#### 4. Average Number of Wage-Earners.

In Graph XXVI, the average number of wage-earners employed by the manufacturers in Lawrence is presented for both war periods.

The 1939 figure of 24,554 is about 6,500 less than the 1914 figure of 31,043. In 1940, the total is 24,469--approximately 6,000 less than the amount of employees in 1915, which was 30,466. The peak year of its period, 1941, shows that 30,571 persons were working--about 3,000 less than 33,449, the number employed in 1916. The 1942 figure is 29,049--about 5,000 less than the 1917 figure of 34,040. In 1942, there were 27,462 persons employed --close to 6,000 less than the 34,381 persons employed in 1918, which is the peak year for its period. Notice that there were more people employed during the first World War than there are today. This is probably due to the need for more men in the armed forces today, and the existence of more efficiency in management of the mills.

#### 5. Value of Products.

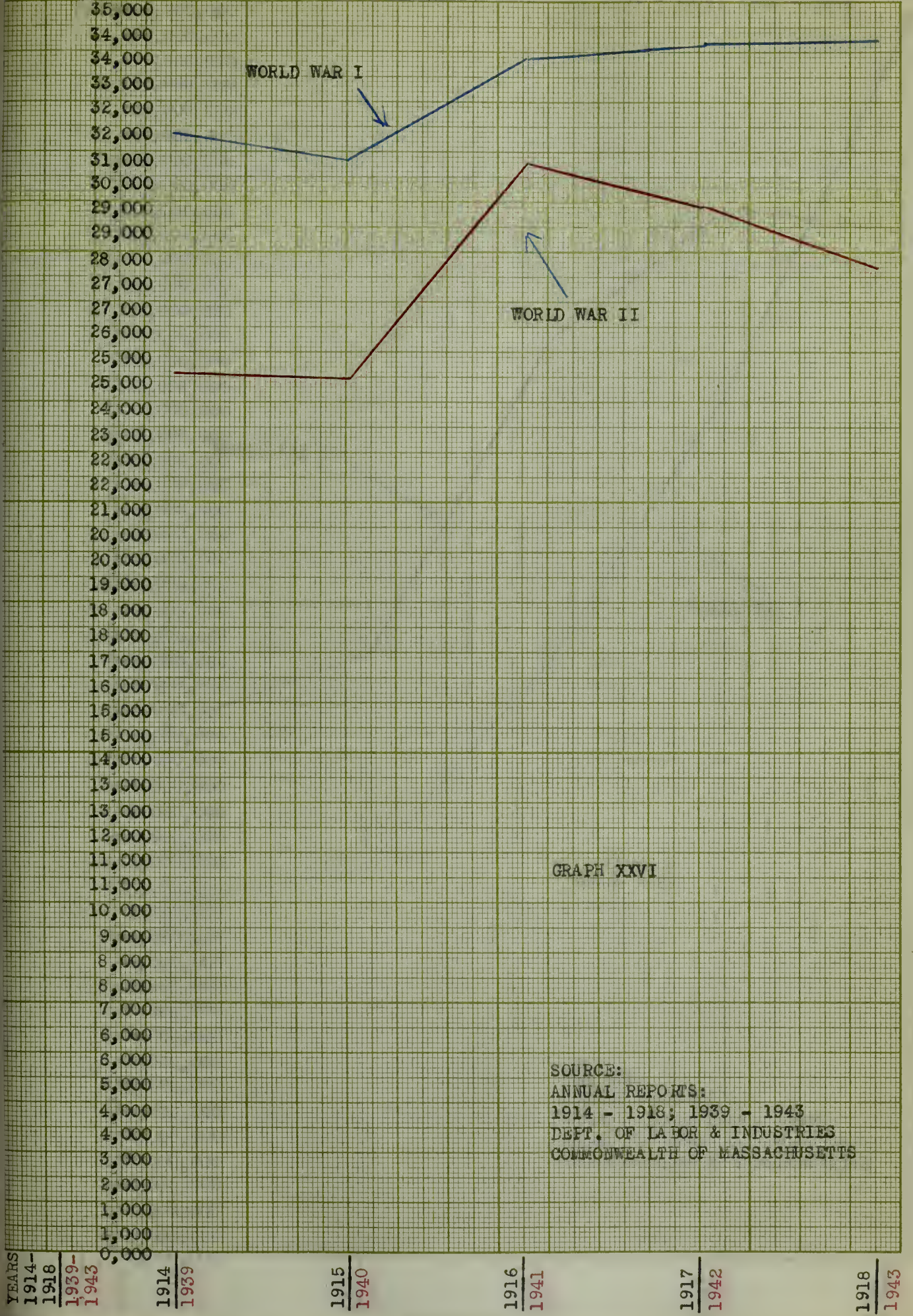
Graph XXVII presents a comparison of the value of products in manufacture for the 1914 to 1918 period and the 1939 to 1943 period.

The value of products in 1939 was \$108,345,562--about \$35,000,000 higher than those of 1914, which totalled \$73,177,803. In 1940, the figure was \$121,532,832--about \$42,000,000 more than the 1915 figure of \$79,405,521. The amount in 1941 was \$185,667,680--approximately \$65,000,000





AVERAGE NUMBER OF WAGE-EARNERS IN MANUFACTURES IN LAWRENCE; 1914 - 1918; 1939 - 1943

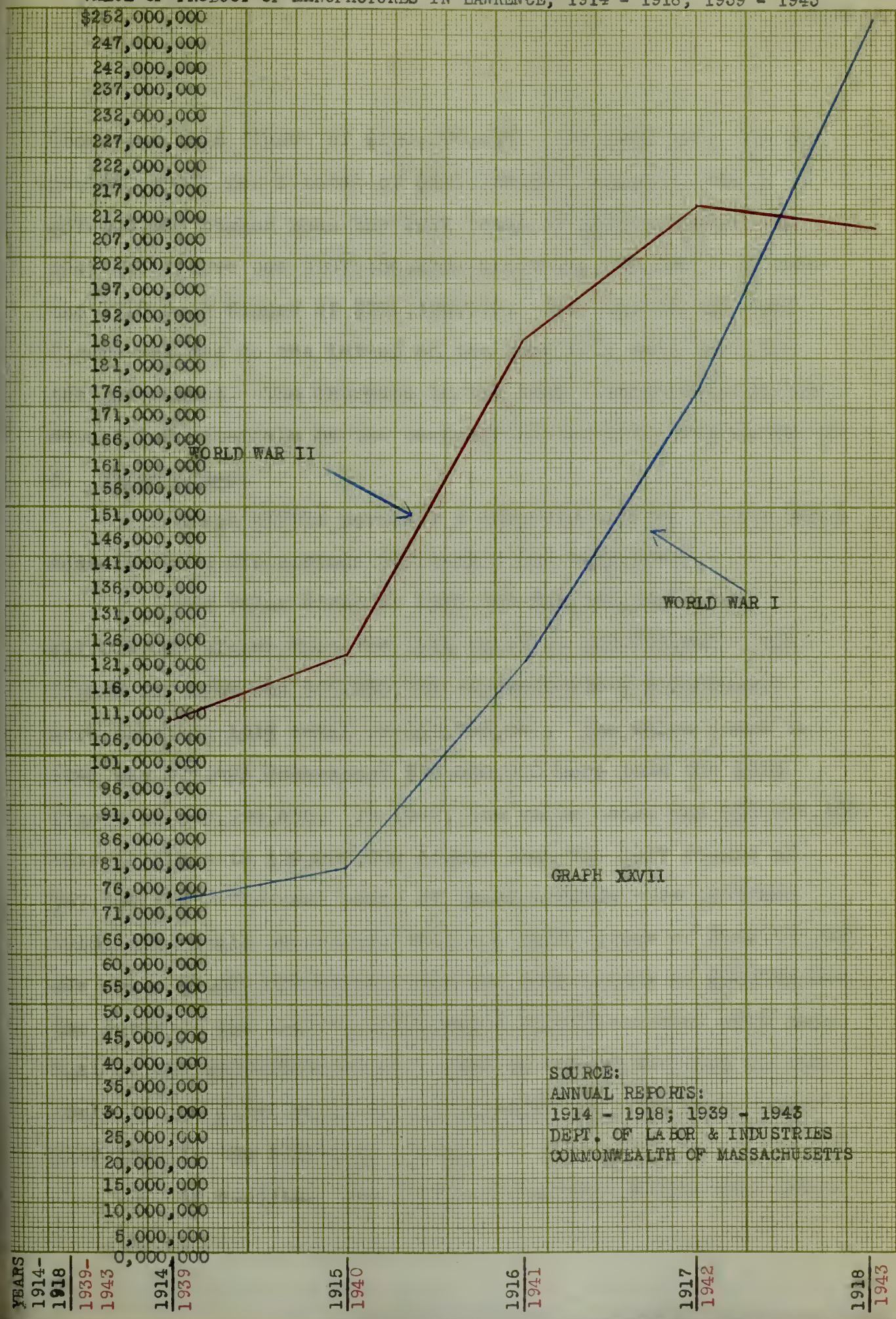








VALUE OF PRODUCT OF MANUFACTURES IN LAWRENCE; 1914 - 1918; 1939 - 1943









above the 1916 figure of \$120,180,973. The peak year for the period, 1942, has a total of \$211,764,821, which is about \$37,000,000 higher than the 1917 total of \$174,495,689. In 1943 the figure was \$207,484,279--about \$44,000,000 less than the 1918 peak figure of \$251,326,770. The drop in the 1943 figure was due to the let-up on the amount of work done for the government. The increase in the 1918 figure reflects the demand for materials by the consumer at the end of World War I.

#### 6. Value Added.

Graph XXVIII portrays a composite picture of the value added in both war periods (1914-1918 and 1939-1943).

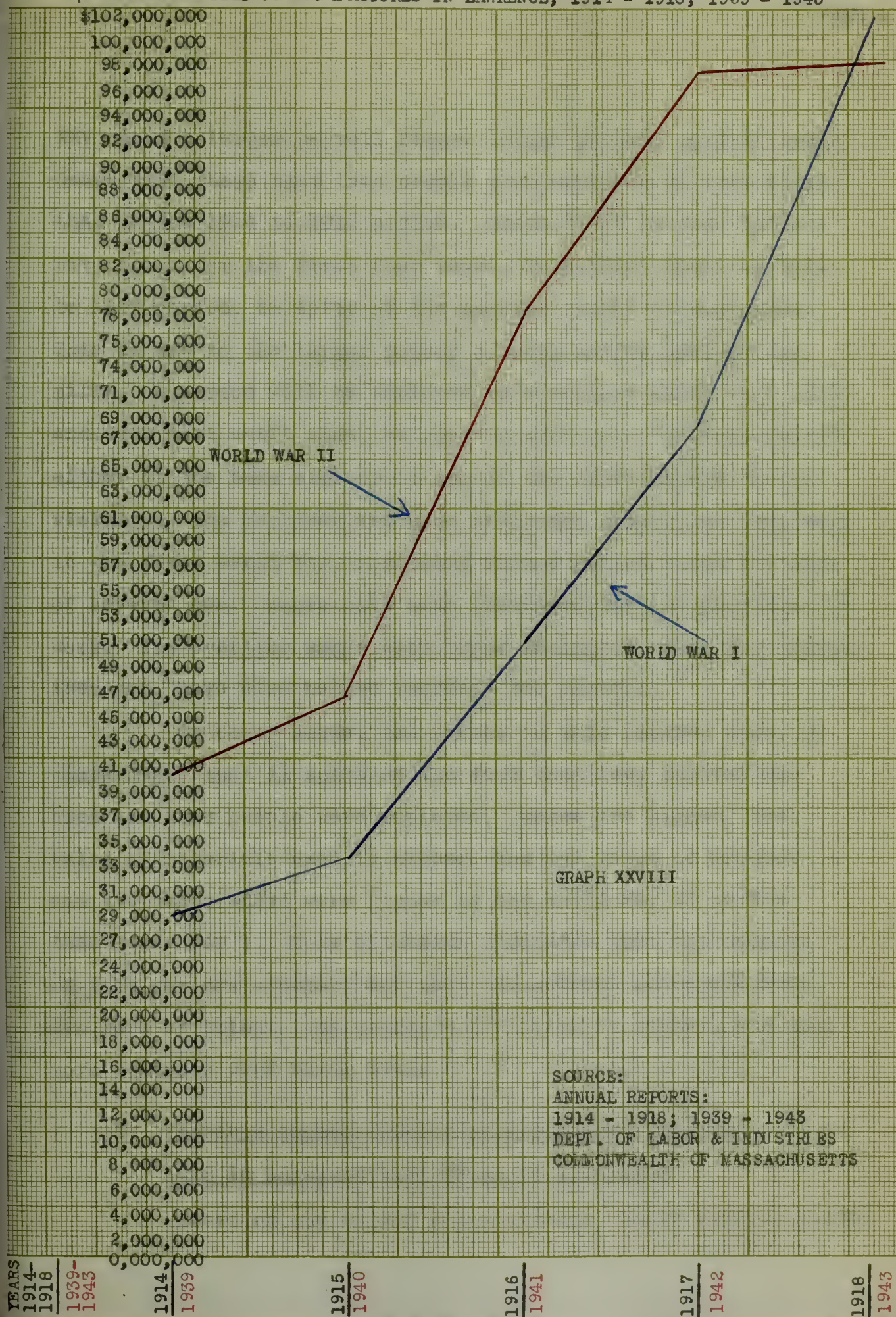
The value added in 1939 was \$39,092,324--about \$11,000,000 higher than the 1914 total of \$28,025,573. The figure for 1940 was \$45,080,784--approximately \$12,000,000 more than the 1915 total of \$32,706,047. The value added in 1941 was \$77,493,889--about \$28,000,000 more than the 1916 figure of \$49,229,436. In 1942, the value added was \$96,291,383. This is close to \$29,000,000 higher than the 1917 figure of \$67,500,122. The peak years of these periods were 1943 and 1918. It should be noticed that the 1918 figure of \$101,145,027 was about \$5,000,000 higher than the 1943 amount of \$96,580,824. The curve of the 1914 to 1918 period fluctuates much more than that of the 1939-1943 period. This is due to the lack of controls in the first World War as compared with the many controls exercised in the 1939-1943 period.

In studying these graphs, one will notice that Graph





## THE VALUE ADDED IN MANUFACTURES IN LAWRENCE; 1914 - 1918; 1939 - 1943









XXV shows a larger payroll figure in the present period, while Graph XXVI shows that less people were employed in this period than in the 1914 to 1918 period. Graph XXVII is also quite a bit higher for the first four years, 1939-1942, than the 1914 to 1917 period, in spite of the smaller number of employees. This is due to the larger number of work-shifts used by the mills. A person will be employed on a regular shift in a mill, and when that shift ends, he goes to work on a "victory shift", either at the same mill or at one of the other plants in the vicinity. The machines are more efficient today than they were in the first World War, resulting in one person doing the work of several men. Wages have also increased for the same type of work. The overtime wages paid these employees, plus the bonuses they get, have also helped increase the payroll.

In other words, the graphs in this chapter show, by comparison, that in spite of the fact that less capital was used and less people were employed, wages are higher, the value of materials used is higher, and the value of product and the value added were higher in the World War II period than World War I. This situation indicates that the demands of this war are greater, and that the methods of manufacture are more efficient, the standard of living is higher, and that more controls were being used.

C. Possible Causes For Business Failures in 1914-1918 As Compared With Those Of 1939-1943

Based on the author's observation, there were no cloth-



ing retailers in Lawrence during the 1914 to 1918 period who failed in that war period. There was sufficient merchandise, and it seemed that in spite of the higher prices, the demand for consumer goods was high. The main cause for the failures that occurred in the post-war period of World War I started in that war period, but its effects were not felt until the next period. This main cause of business failures was inflation! The complete lack of controls permitted prices and all living costs to climb with great rapidity, until, as has been pointed out in Chapter III, the economy got top-heavy and collapsed with greater rapidity.

It has been pointed out in Chapter IV that practically the only condition caused by World War II, that might cause a business to fail, is the scarcity of merchandise. This can be avoided in some retail stores by the management's not permitting its stock to be completely sold out. There are many governmental controls in effect during this war. The main purpose of these regulations is to attempt to curb inflation. Just how good a job they will do cannot be determined until the post-war period of World War II.

#### D. Taxes of 1914 to 1918 Compared With Those of 1939 to 1943.

Taxes, which are part of a store's operating expenses, varied considerably between the two periods under discussion. The following tax rates are for the first period:





| <u>YEAR</u> | <u>DOLLARS PER THOUSAND</u> (1) |
|-------------|---------------------------------|
| 1914        | \$18.00                         |
| 1915        | 18.80                           |
| 1916        | 18.80                           |
| 1917        | 18.80                           |
| 1918        | 22.80                           |

The higher tax rate of 1918 reflects the higher costs of living caused by inflation.

The tax rates in the 1939 to 1943 period are as follows:

| <u>YEAR</u> | <u>DOLLARS PER THOUSAND</u> (2) |
|-------------|---------------------------------|
| 1939        | \$38.80                         |
| 1940        | 40.80                           |
| 1941        | 39.80                           |
| 1942        | 39.80                           |
| 1943        | 37.80                           |

The tax rates in this period would be naturally higher, for as a city grows, so do its expenses. The present administration, however, has been attempting to lower the tax rate for the city and seems to be doing a good job of it.

One agency states, "The purchasing power of the dollar<sup>(3)</sup> in November 1943, as compared with 1935-1939 was about 81.9%". Since that is the case, many people have felt that some of the past administrations must have been spending lavishly to require such a high rate.

#### E. Retail Distribution of 1914-1918 Compared With Retail Distribution of 1939-1943

The characteristics of retail distribution in the

(1) Op. cit., Lawrence City Hall.

(2) Ibid.

(3) Massachusetts Department of Labor and Industries, "Employment and Payroll Data 20 Leading Trading Centers".



first World War are very similar to those existing in this war period. The main difference between these two, however, is that the economy that existed in 1914-1918 was absolutely devoid of any controls. The business-men could ask whatever price they thought they could get for their merchandise. The retailer could go out and buy whatever he wanted, as long as he was willing and able to pay the price. The picture of retail distribution in that period would correspond very closely to the black market if it were legalized.

Retail distribution in the present war period is the exact opposite of the situation that existed in 1914-1918. Controls have been placed on business. Where the World War I retailer was able to quote as high a price as the market would stand, today, the retailer finds that price ceilings restrict him from using this procedure. It is not uncommon for one or several persons to enter a retail store, identify themselves as members of the Office of Price Administration, and proceed to check the prices. The retailer today can't go out and buy as much as he wants. Everything is put on an allotment basis, a percentage of what he purchased in a base year.

As if that weren't enough, the shortages have resulted in a seller's market. When a retailer goes out to buy merchandise, before his order is accepted, he must sign a paper entitled "Terms and Conditions of Order". These terms and conditions of order are really nothing more than a formal contract between the buyer and the seller. The main point in this con-





tract is that the seller is not held liable for delays or failures to deliver goods under the contract. This is a very important point, for to a business concern, time is of the essence. Another point is that the selling price under such a contract is not binding upon the seller if increases have taken place.

It should be noted at this point that this is the first time that the sellers refuse to handle any orders unless the terms and conditions of order have been signed by the buyer.

In summing this chapter up, the three main differences between the conditions that exist today and those that existed during the first World War are:

(1) The prevalent governmental controls that are in effect today as compared with their complete absence in the last war.

(2) The larger number of our boys who are serving in the armed forces.

(3) The retailers of the last war had their racks and shelves filled to capacity with merchandise bought at prices three or four times higher than the actual value of the goods, besides what was stored away in anticipation of higher prices.

The retailer today is in an entirely different position. His assets are not tied up in stock, the business is very liquid, and he is in a strong position to buy new merchandise when it is available.



## SECTION VI.

### POSSIBLE EFFECT OF POST-WAR PERIOD OF WORLD WAR II ON RETAILER

The public has a greater knowledge of post-World War II products at this stage than they had of post-World War I. products. Through advertising, the public has been informed about the developments that will be available to it. This has, in some measure, resulted in savings for future consumption. Since the advances that have been made will be incorporated into the demands of the consumers, the retailers will have to be alert and progressive in order to cater to these desires.

#### A. The Migration Trends of People Seeking Work in Peace Time

The migration trends of people are very important to a city's retail business. A community that has flourished, and is classified as a "boom town", because of the war, faces a very serious problem at the close of the war. In such towns, the retail establishments owe their existence to a market made up primarily of people who are not natives of that city. These people have gathered there to do a job that will end with the war. When their work is finished, a large number of them will go back to their home towns. The end of hostilities imposes a serious problem on these merchants. They must either get out and relocate themselves in areas offering larger markets,





or else adapt themselves to do a smaller percentage of business and, in many cases, barely exist.

This is not the situation in Lawrence. The city has always been recognized as one of the largest centers of the woolen and worsted textile industry in the United States. The U.S. Census figures for 1930 and 1940 have shown a decrease of nine-tenths of one percent in the city's population in a ten-year period. This decrease has not been in the city's trading area, however, for increases in the population of the suburban towns have been shown to be thirty-nine and one-half per cent in this same ten-year period.

To a large percentage of the city's population, Lawrence is the "home town". The indications are that the retailer's market will not decrease. This statement is based on the fact that the textile industry, Lawrence's main source of income, is not a "war baby", and is considered a big peace-time business. This may result in people moving into this area rather than away from the city, in order to seek peace-time employment.

Another important point to consider in regards to the textile industry is that the switch-back period has little consequence here. There is no problem of reconverting and replacing machinery, for the same type of work and machinery will turn out civilian goods. This results in supplying the civilian demand immediately, with no long lay-off period necessary for "re-tooling".



Another factor that will aid in increasing the retailer's market is the municipal airport. Plans are being made to enlarge and modernize the field, putting it on a competitive basis with the East Boston Airport. Airline companies are vying with each other to get permission to use our post-war flying facilities. This will bring people from surrounding towns and cities into this community, resulting in a substantial increase in the transient trade.

The Chamber of Commerce in Lawrence is doing its share in aiding the retailer by the "Shop in Lawrence" campaign, run under its supervision.

B. The Different Types of Business That Might Become Prominent In That Peace Period

It is not likely that Lawrence will be the scene of any new industrial development after the war, although it is expected that they will take full advantage of technical developments in the textile field.

In the author's opinion, there are certain processes that will directly affect the men's clothing retailer. These processes are the moth-proofing and water-proofing of the fabrics that go into the manufacture of wearing apparel. They will have a very marked effect upon consumer demand, because of the expense and care involved in protecting clothing from moths. In spite of the care exercised, millions of dollars worth of clothing in the ultimate consumer's possession are destroyed





annually. The retailer must try to anticipate when the consumer will demand this protection for his clothing, and scale his buying so that the open-to-buy figure at that time will permit him to purchase the fabric with this protection.

Aviation is likely to gain prominence in this post-war period. This will increase the Lawrence retailer's market considerably. It is true that one will find it as easy to fly to Boston as to Lawrence, but the transportation from the Lawrence airport to the shopping district is more convenient, cleaner, and takes much less time than the facilities from the East Boston Airport.

The merchants in Lawrence will help this market increase, for they stock fashionable merchandise that is as good, if not better, than that in many of the Boston stores. Some of the Lawrence merchants are directly competing with Boston stores at the present time. Their clientele records include many people living in and around Boston.

It must be noted that these stores deal in shopping goods.

#### C. Possible Future Trends of Taxation

Before attempting a prediction of the trend of future taxes in the city, there are several factors to be discussed that will influence this rate.

There is quite a large number of machinery and equipment, owned by the city; such as, snow-removal equipment, road-



maintenance equipment, fire trucks, police cars, etc., that need replacing. This machinery and equipment will not have a high trade-in value because of the depreciation suffered, and in some cases, the obsolescence of the equipment makes it practically valueless.

The post-war projects planned by the city; such as, work planned for the airport, and any work that has been postponed because of the war, will require money, to be raised by taxation.

Another very important factor that will influence the amount of money needed by the city is the purchasing power of the dollar in the post-war period of World War II.

The tax rate in the post-war period of the first World War was substantially higher than in the war period.

The above indicates that the city's tax rate in the post-war period of World War II will be higher than it is today. Just how much higher depends upon the number and size of the projects planned, and in a great part, on how wisely the administration of that period will spend the city money.

D. Possible Future Trend of the Governmental Agencies and Rulings That Affect the Clothing Retailer

The possible future trend of governmental agencies and rulings that affect the clothing retailer is based upon the following conditions:

The retailer, because of shortages, has been buying merchandise in quantities less than his open-to-buy figures.





This has resulted in placing the retail store in an under-stocked position. The retailer, because of his low buying figure, is in a more favorable position to buy goods at the end of the war. The retailer's sources are in the same type of a position also.

There is a strong indication that the United States will be supplying the needs of the European nations as well as our own people. This condition should continue until the foreign countries have been able to rebuild and start manufacturing their own needs.

The people have been forced to do without many new items, and they have had to repair and keep on using old articles, such as automobiles. This has resulted in many people deferring their present purchasing power to a future time. It is estimated that \$40,000,000,000 is held in some form of savings.<sup>(1)</sup>

The demands of the returning service-men also fall into this category.

These conditions indicate that when the war ends, business will not decline but there will be a mad scramble to get merchandise to satisfy the consumer's high demand. This would result in people bidding the price of the merchandise up far above any reasonable level. This would result in inflation running wild, thereby repeating the conditions that took place

(1) Professor Slichter, "Harvard Business Review", Autumn, 1943 issue.



in the post-war period of World War I.

Judging from the above, the author believes that the governmental controls will continue in effect to protect the public from itself. The length of time they will continue should be until the people have adjusted themselves to a peacetime economy and the danger of lowering the value of the dollar has passed. If, however, the people, refusing to recognize their danger, put pressure on the government, through their representatives, to have these controls withdrawn, then it is probable the restrictions will be lifted in a shorter period of time.

#### E. A Post-War Plan For The Clothing Retailer

Before discussing what the clothing retailers might do in order to cope with their problems, a presentation of these problems is necessary.

The trend of wages in Graph XIX, Chapter IV, indicates that the size of the consumer's purchasing power will be higher in the post-war period. This trend, bank deposits, and the savings in war bonds, coupled with the shortages that exist, point out to the retailer that there will be large amounts of money spent for consumer goods.

In addition to these conditions, the demand of the returning service-men will be a consideration. It has been the author's observation that the returning service-man usually finds himself without a wardrobe. This is the result of his requiring a different size, or else the clothes have been





either destroyed by moths, worn out by a member of the family, or given away. The ex-service-man then needs to build up a complete wardrobe. He buys not one suit, but several, and in addition, he purchases a top-coat and sport clothes. The retailer's main problem, then, is to make certain that he gets his share of the money that will be spent.

This in turn creates other problems. The merchant must be sure that he is carrying the type of merchandise that will appeal to the potential customer's taste. This requires that he be constantly alert as to what the consumer will buy and to organize his establishment so that it will do its share of the selling. In order to accomplish this, the following procedures are necessary:

The retailer should start by planning in anticipation of future sales. An objective picture of the establishment and its policies should be obtained. A good method for accomplishing this is to gather his employees into a conference and proceed to criticize the whole business, listing all bad and good points and suggesting possible remedies. A conference of this sort, when run properly, will accomplish a great deal in one step. By having several people involved, it will overcome the weakness, common to a one-man committee, of one being relatively blind to one's own faults. The employees themselves will see the position and importance of each function in the over-all picture. The request for suggestions will show them that not only does the management recognize their abilities as individuals,



but a sense of responsibility will be instilled in them. It will serve as a planning group.

The first step by this committee should be to decide what standing the store has in the community, and to plan, whenever it is financially possible, to improve this position.

This should start with a careful study of the area in front of the store and work back to the rear. This should take into consideration the accessibility of the store and the architectural structure of the store-front. The display windows should be modern and appealing to the customer. It is important that they be well-lighted, permitting the merchandise to be seen at its best.

In conjunction with the windows, the doorway must be considered. It should be inviting to the public, easy to enter, and should avoid congestion. A study of the traffic pattern in the store must be made. After a potential customer enters the store, does he walk straight ahead, or does he turn either to the right or left? After a customer has left, has it been noticed that certain spots were avoided by him? Questions of this type will be solved by planning the lay-out of the store so that customers will be routed around the store, eliminating dead spots. The stock in the store must be displayed in a manner that will permit the customer to handle it. This is a point that should not be overlooked, because it facilitates the making of sales. Another very important point to be considered here is the cleanliness of the store. This is a "must" item, for people





avoid a dirty establishment.

Another function of this planning group is to consider the question of personnel. Here, the first step is to make a job analysis of each function in the store and determine how many people will be necessary to carry out the different jobs. Each person should know the importance and position of his job in relations to the over-all function of the store, and each should be held responsible for a specific function. The assigning of responsibility will prevent "passing the buck" when a piece of work has not been done well.

Employee compensation should be considered also, for when one is held responsible for a particular job, the responsibility suggests a compensation over and above the amount ordinarily paid to an irresponsible employee. There are various types of compensation that may be used, depending upon what the employer wants accomplished; such as, straight salary, straight commission, salary and commission, and bonuses.

The straight salary is in the form of remuneration paid by the day, week, or year. The straight commission is in the form of a percentage paid per article, depending upon the rates set up for that type of merchandise. The salary and commission is where the person receives part of his earnings in the form of a salary and the balance as a commission for each article sold.

The bonus is usually used where quotas have been set up and exceeded, and in some cases, as a reward for individual



initiative.

This committee should also decide what type or types of merchandise the store should carry. The importance of this point cannot be over-stressed. A store may be perfect as to display windows, lay-out, and personnel, but if it doesn't carry the merchandise that the consumer wants, there will be few sales made, and these would be due to high-pressure selling. It has been stated that "goods well bought are half sold".

The first step in this procedure is to analyze the stock on hand. This involves inventory-taking, and classifying the goods as either slow-moving, fair, or fast, and a further break-down into profitable and unprofitable categories is required. Then a discussion should be carried on to determine who is responsible for the merchandise being profitable or not--the store or the goods.

The next step is to list and analyze the customer's wants. This is accomplished by having the sales people compile a list of what merchandise the consumer asks for and is not in stock.

Another point to consider in this respect is that by the use of limited display space, a customer's acceptance of new merchandise can be tested. This can be accomplished by means of window displays giving the article a feature spot and using the proper backgrounds and accessories. Then observations should be made of the people's reaction to this display, and if possible, the sales people should report, not only on what their





respective customers thought about the article, but also about how many and what class of people asked for the merchandise.

Another factor in this respect is to review the sources of the store. The advice and aids of each source should be considered. It must be remembered that by concentrating one's buying in a few sources, one's account will receive more respect and cooperation from these firms. If a retailer scatters his buying, his account will not be so desirable. The store should, however, keep contact with firms outside its sources simply to keep a check on the treatment it receives and to keep posted as to any new developments. The retailer should also keep posted on any new processes or products that will affect his stock. One should also keep up to date on what styles and trends are in fashion. It has been observed that if a business wants to grow, it should carry good quality merchandise, for this will result in a satisfied customer--one of the store's biggest assets.

Another very important function of this planning group is to study the accounting methods and procedures in the store. Then, if there is any indication that something is lacking, necessary steps must be taken to rectify the situation. This is one of the most important departments of the store. This is where the records of the store's every function is kept. Through accounting, the financial status and progress of the establishment are determined. The sales records, necessary for making forecasts and setting up budgets for future plans and



operations, are kept in the accounting department. Accounting permits the store to compare its present position with the past to determine whether or not progress has been made. It also shows all costs and expenses, thereby permitting the management to set up controls.

Besides setting up the controls, the accounting department immediately reflects any changes in the functions of the establishment. Since such is the case, the accounting department may be called "the instrument panel and controls of the store".

After the planning group has completed a study of the above nature, it must set up its plans for doing post-war business. It should be noted that the plans that may be set up should be elastic enough to allow for unforeseen situations that may crop up.

The men's clothing business, is, among other things, a fashion and season field. The retailer in this field must keep alert to the trend of styles, and always plan for future sales. Therefore, upon close study one will notice that the problem involved is similar to the style and seasonal problem that continually faces the clothier. The procedure used by the progressive retailer in anticipating the ultimate consumer's seasonal and style demands should, when used on a much larger scale, aid the merchant in making his plans for the post-war period of World War II.





INSTALLMENT SALES

Section 4.

Except as otherwise permitted by this regulation, each installment sale shall comply with the following requirements:

(a) DOWN PAYMENT--The down payment shall not be less than one-third of the cash price of the listed article, except that:

(1) In the case of articles the cash price of which is \$6.00 or less, no down payment is required.

(b) MAXIMUM MATURITY--The maturity shall not exceed twelve (12) months.

(c) AMOUNT AND INTERVALS OF INSTALLMENTS--Except as permitted by seasonal adjustments, the installments in which the time balance is payable

(1) shall not be less than \$5.00 per month or \$1.25 per week on the aggregate installment indebtedness of one debtor to the same creditor;

(2) shall be substantially equal in amount than any preceding installment; and

(3) shall be payable at approximately equal intervals not exceeding one month.

(d) STATEMENT OF TRANSACTION--Unless the cash price of the article sold is \$6.00 or less, the installment sale shall be evidenced by a written instrument or record, and there shall be incorporated therein or attached thereto a written statement, of which a copy shall be given to the obligor as promptly as circumstances will permit, and which shall set forth (in any order) the following information:

(1) A brief description identifying the article purchased;

(2) The cash price of the article;

(3) The amount of the purchaser's down payment in cash and in goods accepted in trade, together with a brief description identifying such goods and stating the monetary value assigned thereto in good faith;



(4) The deferred balance, which is the difference between items (2) and (3);

(5) The amount of any insurance premium for which credit is extended and of any finance charges or interest by way of discount included in the principal amount of the obligation, or the sum of these amounts;

(6) The time balance owed by the purchaser, which is the sum total of items (4) and (5); and

(7) The terms of payment.

### CHARGE ACCOUNTS

#### SECTION 5.

Except as otherwise permitted by this regulation, each charge sale and charge account shall comply with the following requirements:

(a) MAXIMUM MATURITY--Except as permitted by seasonal adjustments, no listed article shall be sold in a charge account with an agreement that payment therefore may be deferred beyond the 10th day of the second calendar month following the calendar month during which such article was sold.

(b) RESTRICTION--When a charge account is in default, the Registrant shall not extend credit to the obligor for any charge sale or installment sale of any listed article until the default has been cured by one of the methods described below.

(c) DEFAULT--A charge account shall be deemed to be in default if any article (whether listed or unlisted) for which credit was extended in such account has not been paid for in full on or before the 10th day of the second calendar month following the calendar month during which such article was sold, except that:

(1) A charge account shall not be deemed to be in default because of a failure to make payment for any article purchased therein prior to May 1, 1942, unless such article shall not have been paid for in full by July 10, 1942;

(2) If an article was sold in a charge account prior to May 1, 1942, under a definite agreement between the seller and purchaser (evidenced in writing) that such article need not be paid for until a specified date, the account shall





not be deemed to be in default with respect to such article unless such article shall not have been paid for in full by the date so agreed upon; and

(3) For persons with seasonal incomes, adjustments are permitted in accordance with seasonal adjustments.

(d) CURING DEFAULTS--When a charge account is in default, the default may be cured either:

(1) By payment in full of the amount in default;

(2) By the purchaser entering into a written agreement in good faith to pay the amount in default within a period of 6 months or less from the date of such agreement by substantially equal installment payments of not less than \$5.00 per month or \$1.25 per week at substantially equal intervals not exceeding one month; or

(3) By the purchaser filing with the creditor a Statement of Necessity and entering into a written agreement in good faith to pay the amount in default within a period of 12 months from the date of such agreement by substantially equal installment payments at substantially equal intervals not exceeding one month.

(e) CONVERSION OF CHARGE ACCOUNT INTO INSTALLMENT CREDIT PRIOR TO DEFAULT--If the seller and purchaser agree to convert into an installment credit the whole or any part of a charge account arising from the sale of a listed article the charge for which is not in default, the agreement shall be in writing and shall provide that the installment credit shall be retired within 6 months from the date of the agreement by substantially equal payments of not less than \$5.00 per month or \$1.25 per week, at substantially equal intervals not exceeding one month.

(f) "FLOOR AUTHORIZATIONS"--A Registrant shall not be deemed to have violated section 5(b) if he makes a charge sale of a listed article, the cash price of which is \$5.00 or less, for immediate delivery to the customer in person and

(1) the person authorizing such charge sale on behalf of the Registrant acts in good faith without knowledge that the customer's charge account is in default, and

(2) the Registrant, upon discovery that such charge account is in default, promptly requests the return of, or the immediate payment in full for, the article sold.



It should be noted that renewals, revisions, and additions of installment credits growing out of charge accounts are subject to the provision of section 10 which determines the policies used in handling these conditions.





B I B L I O G R A P H Y



BOOKS

- Alexander, Ralph S.; Surface, Frank M.; Elder, Robert F.;  
Alderson, Wroe, "Marketing", Ginn & Co., Boston, 1940
- Allen, Frederick Lewis, "Only Yesterday", Blue Ribbon Books,  
Inc. New York, 1931
- Bowly, Arthur L., "Some Economic Consequences of the Great  
War", 1930
- Chapin, Albert F., "Credit & Collection Principles & Practices",  
McGraw-Hill Book Co., New York, 1941
- Donald, W.J. "Handbook of Business Administration", McGraw-  
Hill Book Co., New York, 1931
- Dorgon, Maurice B., "History of Lawrence, Massachusetts",  
Published by the author, 1924
- Keynes, J.M. "The Economic Consequences of Peace, 1920
- McNair, Malcolm P.; Meriam, Richard S., "Problems In Business  
Economics", McGraw-Hill Book Co., New York, 1941
- Nystrom, Paul H. "Economics of Fashion", The Ronald Press Co.,  
New York, 1928
- Nystrom, Paul H. "Retail Store Operation", The Ronald Press  
Co., New York, 1937
- Effenberger, Albert T., "Psychology In Advertising",  
Mc-Graw-Hill Book Co., New York, 1932
- Steiner, G. A. & Associates, "Economic Problems of War", 1942





ARTICLES AND OTHER SOURCES

Atchison, J.C., "Late News Section", Mens Wear, Vol. 94,  
No. 2, November 18, 1942

Atchison, J.C., "Today and Tomorrow", Mens Wear, Vol. 94,  
No. 5, January 8, 1943

Atchison, J.C., "Today and Tomorrow", Mens Wear, Vol. 106,  
No. 12, January 22, 1943

Atchison, J.C., "Today and Tomorrow", Mens Wear, Vol. 94,  
No. 7, February 12, 1943

Atchison, J.C., "Today and Tomorrow", Mens Wear, Vol. 94,  
No. 8, February 26, 1943

Atchison, J.C., "Today and Tomorrow", Mens Wear, Vol. 94,  
No. 9, March 12, 1943

Atchison, J.C., "Today and Tomorrow", Mens Wear, Vol. 94  
No. 10, March 26, 1943

Baskin, J.M., "Mens' Stores Profitable in 1942", Mens Wear,  
Vol. 94, No. 12, April 23, 1943

Baskin, J.M., "Merchandise a Problem as Profitable Year  
Ends", Mens Wear, Vol. 94, No. 13, May 7, 1943

Burbidge, Richard G., "Less Volume and Still Profit".,  
Mens Wear, Vol. 94, No. 18, July 23, 1943

Bureau of Business Research - Boston University College of  
Business Administration, "Lawrence", Community  
Statistical Abstract for Massachusetts Copyright 1942

Business Week, "Washington Bulletin", No. 696, January 2, 1943

Business Week, "Figures of the Week", No. 696, January 2, 1943

Business Week, "The Trend", No. 696, January 2, 1943

Business Week, "Plan A" For Postwar Planning", No. 696,  
January 2, 1943

Business Week, "Washington Bulletin", No. 716, May 22, 1943

Business Week, "Figures of the Week", No. 716, May 22, 1943

Business Week, "The Trend", No. 716, May 22, 1943



Business Week, "Washington Bulletin", No. 717, May 29, 1943  
Business Week, "Figures of the Week", No. 717, May 29, 1943  
Business Week, "The Trend", No. 717, May 29, 1943  
Business Week, "Washington Bulletin", No. 718, June 5, 1943  
Business Week, "Figures for the Week", No. 718, June 5, 1943  
Business Week, "The Trend", No. 718, June 5, 1943  
Business Week, "Washington Bulletin", No. 719, June 12, 1943  
Business Week, "Figures of the Week", No. 719, June 12, 1943  
Business Week, "The Trend", No. 719, June 12, 1943  
Business Week, "Washington Bulletin", No. 720, June 19, 1943  
Business Week, "Figures of the Week", No. 720, June 19, 1943  
Business Week, "The Trend", No. 720, June 19, 1943  
Business Week, "Marketing", No. 720, June 19, 1943  
Business Week, "Washington Bulletin", No. 721, June 26, 1943  
Business Week, "Figures of the Week", No. 721, June 26, 1943  
Business Week, "The Trend", No. 721, June 26, 1943  
Business Week, "The Cost Of Living", No. 721, June 26, 1943  
Business Week, "Washington Bulletin", No. 722, July 3, 1943  
Business Week, "Figures of the Week", No. 722, July 3, 1943  
Business Week, "The Trend", No. 722, July 3, 1943  
Business Week, "Washington Bulletin", No. 724, July 17, 1943  
Business Week, "Figures of the Week", No. 724, July 17, 1943  
Business Week, "The Trend", No. 724, July 17, 1943  
Business Week, "Washington Bulletin", No. 725, July 24, 1943  
Business Week, "Figures of the Week", No. 725, July 24, 1943  
Business Week, "The Trend", No. 725, July 24, 1943





Business Week, "Washington Bulletin", No. 726, July 31, 1943  
Business Week, "Figures of the Week", No. 726, July 31, 1943  
Business Week, "The Trend", No. 726, July 31, 1943  
Business Week, "Washington Bulletin", No. 727, August 7, 1943  
Business Week, "Figures of the Week", No. 727, August 7, 1943  
Business Week, "The Trend", No. 727, August 7, 1943  
Business Week, "Washington Bulletin", No. 728, August 14, 1943  
Business Week, "Figures of the Week", No. 728, August 14, 1943  
Business Week, "The Trend", No. 728, August 14, 1943  
Business Week, "Washington Bulletin", No. 729, August 21, 1943  
Business Week, "Figures of the Week", No. 729, August 21, 1943  
Business Week, "The Trend" No. 729, August 21, 1943  
Business Week, "Washington Bulletin", No. 730, August 28, 1943  
Business Week, "Figures of the Week", No. 730, August 28, 1943  
Business Week, "The Trend", No. 730, August 28, 1943  
Business Week, "Washington Bulletin", No. 732, September 11, 1943  
Business Week, "Figures of the Week", No. 732, September 11, 1943  
Business Week, "The Trend", No. 732, September 11, 1943  
Business Week, "Washington Bulletin", No. 733, September 18, 1943  
Business Week, "Figures of the Week", No. 733, September 18, 1943  
Business Week, "The Trend", No. 733, September 18, 1943  
Business Week, "Washington Bulletin", No. 734, September 25, 1943  
Business Week, "Figures of the Week", No. 734, September 25, 1943  
Business Week, "The Trend", No. 734, September 25, 1943  
Business Week, "Washington Bulletin", No. 736, October 9, 1943  
Business Week, "Figures of the Week", No. 736, October 9, 1943



Business Week, "The Trend", No. 736, October 9, 1943  
Business Week, "Washington Bulletin", No. 739, October 30, 1943  
Business Week, "Figures of the Week", No. 739, October 30, 1943  
Business Week, "The Trend", No. 739, October 30, 1943  
Business Week, "Washington Bulletin", No. 740, November 6, 1943  
Business Week, "Figures of the Week", No. 740, November 6, 1943  
Business Week, "The Trend", No. 740, November 6, 1943  
Business Week, "Washington Bulletin", No. 741, November 13, 1943  
Business Week, "Figures of the Week", No. 741, November 13, 1943  
Business Week, "The Trend", No. 741, November 13, 1943  
Business Week, "Washington Bulletin", No. 742, November 20, 1943  
Business Week, "Figures of the Week", No. 742, November 20, 1943  
Business Week, "The Trend", No. 742, November 20, 1943  
Business Week, "Washington Bulletin", No. 743, November 27, 1943  
Business Week, "Figures of the Week", No. 743, November 27, 1943  
Business Week, "The Trend", No. 743, November 27, 1943  
Business Week, "Marketing", No. 743, November 27, 1943  
Business Week, "Washington Bulletin", No. 744, December 4, 1943  
Business Week, "Figures of the Week", No. 744, December 4, 1943  
Business Week, "The Trend", No. 744, December 4, 1943  
Business Week, "Washington Bulletin", No. 745, December 11, 1943  
Business Week, "Figures of the Week", No. 745, December 11, 1943  
Business Week, "The Trend", No. 745, December 11, 1943  
Business Week, "Washington Bulletin", No. 746, December 18, 1943  
Business Week, "Figures of the Week", No. 746, December 18, 1943  
Business Week, "The Trend", No. 746, December 18, 1943







Business Week, "Marketing", No. 746, December 18, 1943

Business Week, "Washington Bulletin", No. 747, December 25, 1943

Business Week, "Figures of the Week", No. 747, December 25, 1943

Business Week, "The Trend", No. 747, December 25, 1943

Business Week, "More Goods for Civilians - If"., No. 747,  
December 25, 1943

Business Week, "Washington Bulletin", No. 748, January 1, 1944

Business Week, "Figures of the Week", No. 748, January 1, 1944

Business Week, "The Trend", No. 748, January 1, 1944

Business Week, "Washington Bulletin", No. 750, January 15, 1944

Business Week, "Figures of the Week", No. 750, January 15, 1944

Business Week, "The Trend", No. 750, January 15, 1944

Business Week, "Baruch's Termination Clause", No. 750,  
January 15, 1944

Business Week, "Washington Bulletin", No. 751, January 22, 1944

Business Week, "Figures of the Week", No. 751, January 22, 1944

Business Week, "The Trend", No. 751, January 22, 1944

Chamber of Commerce, Lawrence, "Business Survey", November, 1943

Classified Telephone Directory of Lawrence, 1943

Commonwealth of Massachusetts - Department of Labor and  
Industries - Division of Statistics, "Census of  
Manufacturers - 1913-1943 - City of Lawrence, Mass.

Connally, Reagon P., "Price Control is Inflation Brake",  
Mens Wear, Vol. 95, No. 6, January 21, 1944

Dickinson, Chas. E.B. "Modern Merchandising Methods", Mens  
Wear, Vol. 95, No. 4, December 17, 1943

"Directory of Newspapers and Periodicals", 1943, Ayer, N.W. & Sons

Elhart, Earl W., "Now and Tomorrow", Mens Wear, Vol. 94, No. 17,  
July 9, 1943



- Elhart, Earl W., "Now and Tomorrow" Mens Wear, Vol. 94,  
No. 18, July 23, 1943
- Elhart, Earl W., "Now and Tomorrow", Mens Wear, Vol. 94,  
No. 19, August 13, 1943
- Elhart, Earl W., "Now and Tomorrow", Mens Wear, Vol. 94,  
No. 20, August 27, 1943
- Elhart, Earl W., "Now and Tomorrow", Mens Wear, Vol. 94,  
No. 21, September 24, 1943
- Elhart, Earl W., "Now and Tomorrow", Mens Wear, Vol. 94,  
No. 22, September 24, 1943
- Elhart, Earl W., "Now and Tomorrow", Mens Wear, Vol. 94,  
No. 24, October 22, 1943
- Elhart, Earl W., "Now and Tomorrow", Mens Wear, Vol. 95,  
No. 1, November 5, 1943
- Elhart, Earl, W., "Today and Tomorrow", Mens Wear, Vol. 94,  
No. 15, June 11, 1943
- Elhart, Earl W., "Today and Tomorrow", Mens Wear, Vol. 94,  
No. 16, June 25, 1943
- Elhart, Earl W., "Now and Tomorrow", Mens Wear, Vol. 95,  
No. 2, November 19, 1943
- Elhart, Earl W., "Now and Tomorrow", Mens Wear, Vol. 95,  
No. 3, December 3, 1943
- Elhart, Earl W., "Now and Tomorrow", Mens Wear, Vol. 95,  
No. 4, December 17, 1943
- Elhart, Earl W., "Now and Tomorrow", Mens Wear, Vol. 95,  
No. 5, January 7, 1944
- Elhart, Earl W., "Now and Tomorrow", Mens Wear, Vol. 95,  
No. 6, January 21, 1944
- "Financial Statistics of Cities", 1933 U.S. Census Bureau
- Griffith Ward Co., Inc. "Lawrence, Massachusetts, the Capital  
of the Woolen and Worsted Textile Industry in America"
- Kew, "Men's Shops Meet Manpower Minus", Mens Wear Vol. 94,  
No. 14, May 21, 1943
- Kew, "Postwar Preview", Mens Wear, Vol. 94, No. 15, June 11, 1943





- Kew, "Postwar Preview", Mens Wear, Vol. 94, No. 16, June 25, 1943
- Kew, "Postwar Preview", Mens Wear, Vol. 94, No. 17, July 9, 1943
- Kew, "Postwar Preview", Mens Wear, Vol. 94, No. 18, July 23, 1943
- Kew, "Postwar Preview", Mens Wear, Vol. 94, No. 19, August 13, 1943
- Kew, "Postwar Preview", Mens Wear, Vol. 94, No. 20, August 27, 1943
- Kew, "Postwar Preview", Mens Wear, Vol. 94, No. 21, September  
10, 1943
- Kew, "Postwar Preview", Mens Wear, Vol. 94, No. 22, September  
24, 1943
- Kew, "Postwar Preview", Mens Wear, Vol. 94, No. 24, October 22,  
1943
- Kew, "Postwar Preview", Mens Wear, Vol. 95, No. 1, November 5,  
1943
- Kew, "Postwar Preview", Mens Wear, Vol. 95, No. 2, November 19,  
1943
- Kew, "Postwar Preview", Mens Wear, Vol. 95, No. 3, December 3,  
1943
- Kew, "Postwar Preview", Mens Wear, Vol. 95, No. 5, January 7,  
1944
- Kew, "Postwar Preview", Mens Wear, Vol. 95, No. 6, January 21,  
1944
- LaClave, Frank, "American Main Street at War", Printer's Ink,  
Vol. 205, No. 7, November 12, 1943
- LaClave, Frank, "Chain Pledges Postwar Jobs-Expansion Program  
All Set", Printers' Ink, Vol. 205, No. 5, October 29,  
1943
- Massachusetts Department of Labor & Industries, "Employment  
& Payroll Data 20 Leading Trading Centers".
- Massachusetts Department of Labor & Industries, "Minimum  
Wage Commission"
- Mens Wear, "Today and Tomorrow", Vol. 94, No. 12, April 23,  
1943
- Mens Wear, "Today and Tomorrow", Vol. 94, No. 13, May 7, 1943



- Mens Wear, "Today and Tomorrow", Vol. 94, No. 14, May 21, 1943
- Mens Wear, "WPB's Interpretation of Inventory Control Order"  
Vol, 94, No. 14, May 21, 1943
- Mens Wear, "The Vanishing Import", Vol. 94, No. 15, June 11,  
1943
- Mens Wear, "New England Round-Up" Vol. 94, No. 15, June 11,  
1943
- Mens Wear, "Today and Tomorrow", Vol. 94, No. 11, April 9, 1943
- Mens Wear, "The New York Men's Wear Market" Vol. 94, No. 17,  
July 9, 1943
- Mens Wear, "WPB's Plan to Avoid Rationing" Vol. 94, No. 18,  
July 23, 1943
- Mens Wear, "Men's Clothing Volume of 3% in 1942" Vol. 94,  
No. 19, August 13, 1943
- Mens Wear, "After the War is Won", Vol. 95, No. 2, November 19,  
1943
- Mens Wear, "New England Section", Vol. 95, No. 4, December 17,  
1943
- "Mill Outlook For First Half of 1944 Favorable", Lawrence  
Eagle Tribune, January 5, 1944
- Murdock, "Postwar Style Promotion", Mens Wear, Vol. 94, No. 13  
May 7, 1943
- Murdock, "The After-the-War Wardrobe", Mens Wear, Vol. 94,  
No. 15, June 11, 1943
- Murdock, "New Materials after the War", Mens Wear, Vol. 94,  
No. 16, June 25, 1943
- Murdock, "Formal Clothes Suffer Temporary Eclipse" Mens Wear,  
Vol. 94, No. 18, July 23, 1943
- Murdock, "The London Tailor Carries On" Mens Wear, Vol. 94,  
No. 19, August 13, 1943
- U.S. Dept. of Commerce, Retail Trade - Massachusetts - 1939
- Zelomek, A.W., "Economic Trends", Mens Wear, Vol. 94, No. 2,  
November 18, 1942





- Zelomek, A.W., "Economic Trends", Mens Wear, Vol. 94, No. 5,  
January 8, 1943
- Zelomek, A.W., "Economic Trends", Mens Wear, Vol. 106, No. 12,  
January 22, 1943
- Zelomek, A.W., "Economic Trends", Mens Wear, Vol. 94, No. 7,  
February 12, 1943
- Zelomek, A.W., "Economic Trends", Mens Wear, Vol. 94, No. 8,  
February 26, 1943
- Zelomek, A.W., "Economic Trends", Mens Wear, Vol. 94, No. 9,  
March 12, 1943
- Zelomek, A.W., "Economic Trends", Mens Wear, Vol. 94, No. 10,  
March 26, 1943
- Zelomek, A.W., "Economic Trends", Mens Wear, Vol. 94, No. 12,  
April 23, 1943
- Zelomek, A.W., "Economic Trends", Mens Wear, Vol. 94, No. 13,  
May 7, 1943
- Zelomek, A.W., "Economic Trends", Mens Wear, Vol. 94, No. 14,  
May 21, 1943
- Zelomek, A.W., "Economic Trends", Mens Wear, Vol. 94, No. 15,  
June 11, 1943
- Zelomek, A.W., "Economic Trends", Mens Wear, Vol. 94, No. 16,  
June 25, 1943
- Zelomek, A.W., "Economic Trends", Mens Wear, Vol. 94, No. 11,  
April 9, 1943
- Zelomek, A.W., "Economic Trends", Mens Wear, Vol. 94, No. 17,  
July 9, 1943
- Zelomek, A.W., "Economic Trends", Mens Wear, Vol. 94, No. 18,  
July 23, 1943
- Zelomek, A.W., "Economic Trends", Mens Wear, Vol. 94, No. 19,  
August 13, 1943
- Zelomek, A.W., "Economic Trends", Mens Wear, Vol. 94, No. 20,  
August 27, 1943
- Zelomek, A.W., "Economic Trends", Mens Wear, Vol. 94, No. 21,  
September 10, 1943



Zelomek, A.W., "Economic Trends", Mens Wear, Vol. 94, No.22,  
September 24, 1943

Zelomek, A.W., "Economic Trends", Mens Wear, Vol. 94, No. 24,  
October 22, 1943

Zelomek, A.W., "Economic Trends", Mens Wear, Vol. 95, No. 1,  
November 5, 1943

Zelomek, A.W., "Economic Trends", Mens Wear, Vol. 95, No. 2,  
November 19, 1943

Zelomek, A.W., "Economic Trends", Mens Wear, Vol. 95, No. 3,  
December 3, 1943

Zelomek, A.W., "Economic Trends", Mens Wear, Vol. 95, No. 4,  
December 17, 1943

Zelomek, A.W., "Economic Trends", Mens Wear, Vol. 95, No. 5,  
January 7, 1944

Zelomek, A.W., "Economic Trends", Mens Wear, Vol. 95, No. 6,  
January 21, 1944

\*\*\*\*\*







\*658.37

B54

BOSTON UNIVERSITY



1 1719 02570 5361

